

# Multiple Award Schedules Desk Reference

Version 4



# GSA Multiple Award Schedules

## GSA Multiple Award Schedules (MAS) Program Desk Reference

In your continuing role as a business advisor, we recognize that procurement is not just following rules and regulations. Rather, it is a process of making sound business decisions. Today, we have new rules and operate in a different kind of environment. Your task now is to implement these new tools and develop efficient acquisition strategies. We have created this manual to assist you in your role.

## Tips at a Glance...

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As you read through this manual, look for these helpful tips to help you make a “Best Value” selection.



### **POWER BUYING TIP**

These tips are identified by the icon to the left. Read them carefully; they create opportunities for cost savings.



### **NUTS AND BOLTS TIP**

These tips, identified by the icon shown here, are “how-tos” designed to enhance your buying experience.

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# Welcome...

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## ... to the **GSA Multiple Award Schedules (MAS) Desk Reference**

Under the GSA Multiple Award Schedules (MAS) program, we establish long-term governmentwide contracts that provide easy access to more than 20 million commercial products and services either directly from GSA Schedule contractors or through *GSA Advantage!*<sup>®</sup>, our online shopping portal. With GSA MAS, you'll receive direct delivery of state-of-the-art, high-quality commercial products and services at volume discount pricing. No matter where you are — even if it's a remote location — you can order the latest technology and quality goods and services conveniently and at most-favored prices. Further, due to established contractor relationships, GSA MAS offers shorter procurement lead-times, lower administrative costs and reduced inventories. When using GSA MAS, your purchases count toward your small business goals, while promoting compliance with various environmental and socioeconomic laws and regulations.

Procedures used to purchase from GSA Schedules vary based upon the dollar amount of the procurement and whether or not a Statement of Work (SOW) is required.

[www.gsa.gov/schedules](http://www.gsa.gov/schedules)

## Multiple Award Schedules (MAS) Value Proposition

With MAS, you will:

### 1. Realize cost savings

- ❖ Up-to-date, FAR-compliant acquisition vehicles that help you minimize risks
- ❖ Competitive, market-based pricing that leverages the buying power of the federal government, with the ability to negotiate further discounts at the order level
- ❖ Acquisition experts available to help you make the most of MAS
- ❖ On-site and online training for help in using MAS
- ❖ Service to meet your mission needs, from the government's premiere acquisition agency

### 2. Experience flexibility and choice

- ❖ The ability to tailor orders to get what you need by customizing terms and conditions at the order level
- ❖ Alternatives, such as blanket purchase agreements and contractor team arrangements, that can replace the need for agency indefinite delivery/indefinite quantity contracts
- ❖ Decision tools and contracting solutions proven to meet complex requirements
- ❖ A vast selection of contractors offering expert solutions for services and products

### 3. Save time

- ❖ Pre-competed, on-demand contracts to increase the productivity and capacity of scarce acquisition resources
- ❖ Quick and easy access to the right industry partners, allowing you to make the most use of your valuable time

### 4. Realize transparency

- ❖ A suite of eTools that can be leveraged to identify qualified contractors, maximize competition, and assist you in reaching your socioeconomic goals
- ❖ Business intelligence into customer purchasing patterns when using GSA eTools

### 5. Control the procurement

- ❖ Self-service access that allows agency contracting offices to retain control of their procurements, including requirements development, evaluation, award and administration
- ❖ Full-service options when in-house resources are tapped with other pressing projects

## Buying Members of the GSA Schedules Program

Agencies and other activities are eligible to use GSA sources of supplies and services pursuant to the Federal Property and Administrative Services Act of 1949 or other statutory authority. An eligible ordering activity is authorized to place orders or establish Blanket Purchase Agreements (BPAs) against GSA Schedule contracts. Refer to the list below of Eligible Activities.

Additional information on "Eligibility to Use GSA Sources" is located at [www.gsa.gov/eligibilitytouse](http://www.gsa.gov/eligibilitytouse) and in GSA Order ADM 4800.2G, 2/16/2011 at [http://www.gsa.gov/graphics/fas/GSAOrderADM4800\\_2F.pdf](http://www.gsa.gov/graphics/fas/GSAOrderADM4800_2F.pdf).

## Eligibility to Use GSA Sources of Supply and Services

Eligible Activities:
An executive agency, including non-appropriated fund activities (41 CFR 101-26)
A federal agency OR A cost-reimbursable government contractor authorized in writing by a federal agency to use GSA Schedule contracts (refer to FAR Part 51) OR A federal government Contracting Officer may authorize GSA contractors to purchase supplies and services from Federal Supply Schedule contracts under certain circumstances (For more information, see <a href="http://www.gsa.gov/far51deviation">www.gsa.gov/far51deviation</a> .)
A mixed-ownership government corporation
The District of Columbia
A tribal government, when authorized under 25 U.S.C. 450j(k)
An activity or organization authorized by statute or regulation to use GSA Schedule contracts as a source of supply as well as state and local governments
A qualified nonprofit agency as authorized under 40 U.S.C. 502(b)



## List of Acronyms

Below you'll find acronyms that appear in this manual.

<b>AAC</b>	Activity Address Code
<b>ADR</b>	Alternative Dispute Resolution
<b>A/OPC</b>	Agency/Organization Program Coordinator
<b>BOA</b>	Basic Ordering Agreement
<b>BPA</b>	Blanket Purchase Agreement
<b>CAE</b>	Center for Acquisition Excellence
<b>CICA</b>	Competition in Contracting Act
<b>CCR</b>	Central Contractor Registration
<b>CMLS</b>	Centralized Mailing List Service
<b>COC</b>	Certificate of Competency
<b>CTA</b>	Contractor Team Arrangement
<b>eBuy</b>	Electronic Request for Quotes System
<b>EPA</b>	Economic Price Adjustment
<b>EPLS</b>	Excluded Parties List System
<b>FAPIIS</b>	Federal Awardee Performance and Integrity Information System
<b>FAR</b>	Federal Acquisition Regulation
<b>FAS</b>	Federal Acquisition Service
<b>FBO</b>	Federal Business Opportunities
<b>FPMR</b>	Federal Property Management Regulations
<b>GFE</b>	Government Furnished Equipment
<b>GFI</b>	Government Furnished Information
<b>GFM</b>	Government Furnished Material
<b>GPE</b>	Governmentwide Point-of-Entry
<b>GSA</b>	General Services Administration
<b>GSAM</b>	General Services Administration Acquisition Manual
<b>GWAC</b>	Governmentwide Acquisition Contract
<b>HUBZone</b>	Historically Underutilized Business Zone
<b>IDIQ</b>	Indefinite Delivery/Indefinite Quantity
<b>MFC</b>	Most Favored Customer
<b>MAS</b>	Multiple Award Schedule
<b>MOU</b>	Memorandum of Understanding
<b>NCSC</b>	National Customer Service Center
<b>ODC</b>	Other Direct Cost
<b>OMB</b>	Office of Management and Budget
<b>PBA</b>	Performance-Based Acquisition
<b>PL</b>	Public Law
<b>PPIRS</b>	Past Performance Information Retrieval System
<b>PWS</b>	Performance Work Statement
<b>QASP</b>	Quality Assurance Surveillance Plan
<b>RFI</b>	Request for Information

<b>RFQ</b>	Request for Quotation
<b>SAT</b>	Simplified Acquisition Threshold
<b>SBA</b>	Small Business Administration
<b>SIN</b>	Special Item Number
<b>SOO</b>	Statement of Objectives
<b>SOW</b>	Statement of Work
<b>SPOC</b>	State Point of Contact
<b>U.S.C.</b>	United States Code

## List of Web Resources

Below you'll find websites that appear in this manual.

<b>GSA Web Resources</b>	<b>Description</b>
General Services Administration (GSA) <a href="http://www.gsa.gov">www.gsa.gov</a>	GSA's home on the Web. From here you can search for anything related to GSA, including pertinent information about the GSA Schedules program.
GSA Advantage! <sup>®</sup> <a href="http://www.gsaadvantage.gov">www.gsaadvantage.gov</a>	GSA Advantage! <sup>®</sup> is the government's premiere online shopping system. With GSA Advantage! <sup>®</sup> , you'll have instant access to literally millions of high quality products, services, and solutions from thousands of approved commercial contractors.
GSA eLibrary <a href="http://www.gsaelibrary.gsa.gov">www.gsaelibrary.gsa.gov</a>	GSA eLibrary is your one source for the latest GSA contract award information.
GSA Environmental Products and Services <a href="http://www.gsa.gov/gogreen">www.gsa.gov/gogreen</a>	Source for a variety of environmental information including policy, procedures, programs, and links to products and services that are available to Schedule users to assist them in their efforts to comply with procurement responsibilities outlined in federal environmental laws and regulations.
Eligibility to Use GSA Sources of Supply and Services <a href="http://www.gsa.gov/eligibilitytouse">www.gsa.gov/eligibilitytouse</a>	Provides information on who can use the GSA Schedules program.

<b>GSA Web Resources</b> <i>(continued)</i>	<b>Description</b> <i>(continued)</i>
<b>GSA eBuy</b> <a href="http://www.ebuy.gsa.gov">www.ebuy.gsa.gov</a>	An electronic Request for Quote (RFQ) system designed to allow government buyers to request information, find sources, and prepare RFQs, online, for millions of services and products offered through GSA's Multiple Award Schedule (MAS) and GSA Technology Contracts.
<b>GSA Multiple Award Schedules</b> <a href="http://www.gsa.gov/schedules">www.gsa.gov/schedules</a>	Information on Schedules including an ordering guide, frequently asked questions, policy and procedures, news and resources, federal agency information, contractor information, and much more.
<b>GSA Centralized Mailing List Service</b> <a href="http://www.gsa.gov/cmls">www.gsa.gov/cmls</a>	This is a free service for federal agencies, state and local government entities and GSA contractors for viewing, ordering and subscribing to GSA publications, catalogs, desk references, e-mails and <i>MarkeTips</i> magazine.
<b>GSA's National Customer Service Center (NCSC)</b> <a href="http://www.gsa.gov/ncsc">www.gsa.gov/ncsc</a>	The NCSC's customer service representatives are knowledgeable about GSA's business lines and their associated products and services and will direct you to a source that will best address your needs.
<b>GSA SmartPay®2</b> <a href="http://www.gsa.gov/smartpay">www.gsa.gov/smartpay</a>	Provides a copy of the Master Contract, contractor guides, performance summaries, a list of agency representatives for questions and answers, agency information, points of contact, and more.
<b>GSA Acquisition Manual</b> <a href="http://www.acquisition.gov/gsam/gsam.html">www.acquisition.gov/gsam/gsam.html</a>	This is GSA's set of acquisition guidance materials. It includes the GSAR (General Services Acquisition Regulation), which supplements the FAR, and other non-regulatory policies and procedures. It also houses the forms library.
<b>Governmentwide Acquisition Contracts</b> <a href="http://www.gsa.gov/gwacs">www.gsa.gov/gwacs</a>	<p>GWACs are multiple-award, indefinite delivery, indefinite quantity (IDIQ) contracts that help agencies meet their technology requirements through a customizable solution.</p> <p>Hardware, software, and services can be purchased as a total technology solution.</p>
<b>Blanket Purchase Agreement</b> <a href="http://www.gsa.gov/bpa">www.gsa.gov/bpa</a>	Provides information on how to establish and use BPAs.

Other Web Resources	Description
<p>AbilityOne</p> <p><a href="http://www.abilityone.gov">www.abilityone.gov</a></p>	<p>Committee for Purchase From People Who Are Blind or Severely Disabled. This is one of the required sources of supplies, per FAR 8.002.</p>
<p>Central Contractor Registration</p> <p><a href="http://www.ccr.gov">www.ccr.gov</a></p>	<p>Central Contractor Registration (CCR) is the primary registrant database for the U.S. federal government. CCR collects, validates, stores, and disseminates data in support of agency acquisition missions, including federal agency contract and assistance awards. Both current and potential federal government registrants are required to register in CCR in order to be awarded contracts by the federal government.</p>
<p>U.S. Customs and Border Protection</p> <p><a href="http://www.cbp.gov">www.cbp.gov</a></p>	<p>Federal agency responsible for making substantial transformation determinations or giving their opinions based upon tariff laws.</p>
<p>Defense Acquisition Guidebook</p> <p><a href="https://dag.dau.mil/Pages/Default.aspx">https://dag.dau.mil/Pages/Default.aspx</a></p>	<p>Guide on procurement activities for DOD.</p>
<p>Excluded Parties List System</p> <p><a href="http://www.epls.gov">www.epls.gov</a></p>	<p>The Excluded Parties List System (EPLS) includes information regarding entities debarred, suspended, proposed for debarment, excluded or disqualified under the nonprocurement common rule, or otherwise declared ineligible from receiving federal contracts, certain subcontracts, and certain federal assistance and benefits.</p>
<p>The Federal Awardee Performance and Integrity Information System</p> <p><a href="http://www.fapiis.gov">www.fapiis.gov</a></p>	<p>The Federal Awardee Performance and Integrity Information System (FAPIIS) provides users access to integrity and performance information from the FAPIIS reporting module in the Contractor Performance Assessment Reporting System (CPARS), proceedings information from the Central Contractor Registration (CCR) database, and suspension/disbarment information from the Excluded Parties List System (EPLS).</p>
<p>Federal Acquisition Regulation</p> <p><a href="http://www.acquisition.gov/far/index.html">www.acquisition.gov/far/index.html</a></p>	<p>Online version of the FAR; it is the most up-to-date source.</p>

Other Web Resources <i>(continued)</i>	Description <i>(continued)</i>
<p>Federal Acquisition Service</p> <p><a href="http://www.gsa.gov/fas">www.gsa.gov/fas</a></p>	<p>Through 10 program areas, the Federal Acquisition Service (FAS) possesses unrivaled capability to deliver comprehensive products and services across government at the best value possible. FAS offers a continuum of innovative solutions in the areas of:</p> <ul style="list-style-type: none"> <li>❖ Products and Services</li> <li>❖ Technology</li> <li>❖ Motor Vehicle Management</li> <li>❖ Transportation</li> <li>❖ Travel</li> <li>❖ Procurement and Online Acquisition Tools</li> </ul>
<p>Federal Business Opportunities</p> <p><a href="http://www.FBO.gov">www.FBO.gov</a></p>	<p>Government Point-of-Entry (GPE) for the public to learn about upcoming acquisitions and to download solicitations.</p>
<p>Federal Procurement Data System</p> <p><a href="https://www.fpds.gov/fpdsng_cms/">https://www.fpds.gov/fpdsng_cms/</a></p>	<p>Collects procurement data for all appropriated fund transactions above the micro-purchase threshold. This an excellent market research tool for government and vendors alike.</p>
<p>Office of Management and Budget</p> <p><a href="http://www.whitehouse.gov/omb">www.whitehouse.gov/omb</a></p>	<p>The core mission of OMB is to serve the President of the United States in implementing his vision across the Executive Branch. OMB is the largest component of the Executive Office of the President. It reports directly to the President and helps a wide range of executive departments and agencies across the federal government to implement the commitments and priorities of the President in the areas of budget development and execution, management, coordination and review of all significant federal regulations by executive agencies, legislative clearance and coordination, and executive orders and Presidential memoranda.</p>
<p>Online Representations and Certifications Application</p> <p><a href="https://orca.bpn.gov">https://orca.bpn.gov</a></p>	<p>Replaces most of the paper-based Representations and Certifications (Reps and Certs) in Section K of solicitations with an Internet application.</p>

Other Web Resources <i>(continued)</i>	Description <i>(continued)</i>
<p>Past Performance Information Retrieval System</p> <p><a href="http://www.ppirs.gov">www.ppirs.gov</a></p>	<p>PPIRS is a Web-enabled, enterprise application that provides timely and pertinent contractor past performance information to the Department of Defense and federal acquisition community for use in making source selection decisions. PPIRS assists acquisition officials by serving as the single source for contractor past performance data.</p>
<p>Performance-Based Acquisitions (PBA) Seven Steps</p> <p><a href="http://www.acquisition.gov/comp/seven_steps/home.html">www.acquisition.gov/comp/seven_steps/home.html</a></p>	<p>Provides the outline and details of each of the seven steps in conducting a PBA. Includes a decision tree to help decide whether an acquisition is a good PBA candidate.</p>
<p>Small Business Administration</p> <p><a href="http://www.sba.gov">www.sba.gov</a></p>	<p>Created by the Small Business Act of 1953 to help small businesses get their fair share of federal contracts and subcontracts, by providing guidance and loans to emerging businesses.</p>

*\*For additional Web resources, refer to Section 13 of this Desk Reference.*



### NUTS AND BOLTS TIP

Interact is GSA's online community where you can find the latest policy and guidance affecting GSA programs, as well as Blogs, training events, Webinars, and discussion groups. To join, visit [interact.gsa.gov](http://interact.gsa.gov).

# Section 1: Overview

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## Understanding the GSA Schedules Program

The U.S. General Services Administration (GSA) is a centralized federal procurement and property management agency designed to help federal agencies serve the public. GSA continuously seeks new supplies and services, designs innovative systems, introduces procurement models, addresses customer needs and expectations, and strives to create “Best Value” for customers.

## Statutory and Regulatory Foundation

### Statutory Authority for the MAS Program

Title III of the *Federal Property and Administrative Services Act of 1949* (41 U.S.C. 251 et seq.) and Title 40, U.S.C. 501, *Services for Executive Agencies*, are the two statutes that authorize the MAS program. The GSA Administrator has statutory authority to procure and supply **personal property** and **nonpersonal services** for use of the executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply.

The statute states that the use of GSA Schedules is a competitive contracting procedure since participation in the program has been open to all **responsible prospective contractors** and orders and contracts under such procedures result in the lowest overall cost alternative to meet the needs of the government. (See FAR 8.404(a)).

### Regulatory Foundation

The Federal Acquisition Regulation (FAR) provides the primary regulatory guidance for the GSA Schedules program.

- ❖ **FAR Subpart 8.4, Federal Supply Schedules**, prescribes procedures that federal government ordering activities must follow when issuing orders using GSA Schedules. Orders placed following these procedures are considered to be issued using full and open competition. (See FAR 8.404(a)).
- ❖ **FAR Part 38, Federal Supply Schedule Contracting**, prescribes procedures that GSA must follow when establishing, discontinuing, or changing Federal Supply Schedules.

## GSA's Mission, Values, and Goals

### Our Mission

GSA's mission is to use expertise to provide innovative solutions for our customers in support of their missions and by so doing, foster an effective, sustainable, and transparent government for the American people.

### Our Vision

GSA means excellence in the business of government. GSA is a more diverse range of business lines compared with any number of large corporations. Excellence in the business of government means speaking to GSA customers with “One GSA — One Voice” whenever possible.

## Our Strategic Goals

- ❖ **Stewardship:** Lead federal agencies in the economical and efficient management of federal assets by spearheading effective policy development and by the exemplary management of the buildings/workplaces, motor vehicles, and personal property provided by GSA.
- ❖ **Superior Workplaces:** Deliver and maintain productive workplaces consisting of office space, furnishings, technology supplies, and related services.
- ❖ **Best Value:** Develop and deliver timely, accurate, and cost-effective acquisition services and business solutions.
- ❖ **Innovation:** Develop new and better ways of conducting business that result in more productive and effective federal policies and administrative operations.

## Overview of the GSA Schedules Program

The GSA Schedules program provides eligible ordering activities with a simplified process for obtaining supplies and services.

Simply put, a Schedule is a listing of companies that supply comparable commercial supplies and services through contracts awarded by GSA. With numerous Schedules in place, the program offers tremendous choices and flexibility.

Schedule contracts are Indefinite Delivery/indefinite Quantity (IDIQ) contracts awarded to responsible companies that offer commercial supplies or services at fair and reasonable prices. These contracts can be used by eligible ordering activities worldwide (refer to “Eligibility to Use GSA Sources of Supply and Services”). After GSA awards the contracts, ordering activities order from Schedule contractors and deliveries are made directly to the customer.

## Priorities for Use of the GSA Schedules Program

FAR 8.002 establishes priorities for the use of government supply and service sources to satisfy ordering activity requirements. For more information, visit the online version of the FAR at [www.acquisition.gov/far/index.html](http://www.acquisition.gov/far/index.html).

## Supplies

For supplies, in descending order, the priority for use is:

- ❖ Agency inventories
- ❖ Excess from other agencies (refer to FAR Subpart 8.1)
- ❖ Federal Prison Industries, Inc. (refer to FAR Subpart 8.6)
- ❖ Supplies on the Procurement List maintained by the Committee for Purchase from People Who Are Blind or Severely Disabled (refer to FAR Subpart 8.7) (now the AbilityOne Program)



- ❖ Wholesale supply sources, such as stock programs of GSA (refer to 41 CFR 101-26.3), the Defense Logistics Agency (refer to 41 CFR 101-26.6), the Department of Veterans Affairs (refer to 41 CFR 101-26.704), and military inventory-control points
- ❖ Optional use Federal Supply Schedules (refer to FAR Subpart 8.4)
- ❖ Commercial sources (including educational and nonprofit institutions)

## Services

For services, in descending order, the priority for use is:

- ❖ Services that are on the Procurement List maintained by the Committee for Purchase from People Who Are Blind or Severely Disabled (refer to FAR Subpart 8.7) (now the AbilityOne Program)
- ❖ Optional Use Federal Supply Schedules (refer to FAR Subpart 8.4)
- ❖ Federal Prison Industries, Inc. (refer to FAR Subpart 8.6) or commercial sources (including educational and nonprofit institutions)

## Competition and the GSA Schedules Program

The FAR states that orders and BPAs placed against the Schedules program are considered to be issued pursuant to full and open competition. The Schedules program meets the requirements of the Competition in Contracting Act (CICA). Reference 41 United States Code 259(b)(3)(A) and FAR 6.102(d)(3).

An acquisition is considered to have been conducted under adequately competitive procedures when ordering activities follow the ordering procedures of FAR Subpart 8.4, *Federal Supply Schedules*, (refer to “Ordering Procedures” – Section 3 of this Desk Reference) and at least three offers were received and considered. If fewer than three offers were received, the procedures followed in an attempt to receive a minimum of three offers for consideration must be documented.

Therefore, when placing orders in accordance with FAR 8.405, ordering activities:

- ❖ Shall not seek further competition outside the Schedules program
- ❖ Shall not synopsise the award in FBO (exception: Orders or BPAs supported by a limited-source justification in accordance with FAR 8.405-6)
- ❖ Shall seek price reductions for orders exceeding the Simplified Acquisition Threshold (SAT)
- ❖ Need not make a separate determination of fair and reasonable pricing, refer to FAR 8.404(d)

## Key Benefits of the GSA Schedules Program

The wide variety and large number of Schedule contractors allow ordering activities to access an extensive range of supplies and services to satisfy their requirements. More than 19,000 Schedule contractors offer over 20 million supplies and services.

Additionally, the Schedules program offers ordering activities numerous benefits, including:

### Flexibility

When placing orders against Schedule contracts, an ordering activity does not need to order the lowest-priced services/supplies. Instead, ordering activities make a best value determination to select services or supplies to meet their needs (to find more on “Best Value” refer to Section 3).

Schedule users have the opportunity to access the latest innovative services and technologies available. Schedule contractors have the ability to submit requests at any time to update their offerings, including a requirement to remove any supplies and services they no longer offer commercially.

### Expert Knowledge

GSA forms partnerships with industry experts — from small, innovative companies to Fortune 500 firms — that understand the supplies and services needed by Schedules program customers. Similarly, GSA works with ordering activities to understand their needs. These efforts bring the private sector and ordering activities together in the knowledge supply chain.

### Money-Saving Options

#### ❖ Volume Pricing

GSA negotiates competitive contracts with commercial partners that offer discounts equal to or better than those provided to their best commercial customers.

#### ❖ Spot Discounts

Schedule contractors may lower contract prices, offer spot discounts, pass along long-term price reductions and/or provide additional concessions.

#### ❖ Price Reductions

Seeking additional price reductions and concessions allows the customer to achieve improved prices and delivery terms.



### POWER BUYING TIP

Always ask for discounts from Schedule prices and rates.  
What do you have to lose?



### NUTS AND BOLTS TIP

The Economy Act, FAR 17.500 (b)(1), does not apply to the GSA Schedules program. No Memorandum of Understanding (MOU) is required for an agency to use a Schedules contract.

## Section 2: How GSA Schedules are Awarded

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### How the GSA Schedules Program Works

The Schedules program is based on a commercial acquisition model. Through the program, GSA offers a means for buying activities to take advantage of the tremendous benefits that can be achieved only by leveraging the government's immense buying power. The discounts this buying power affords are passed on to ordering activities. The steps GSA takes in the acquisition process to establish Schedule contracts are similar to those of any federal acquisition. A step-by-step approach is provided below to explain this process.

### Awarding a GSA Schedule Contract

#### Step 1. Acquisition Planning

GSA conducts market research and electronically posts pre-solicitation notices and synopses at the Federal Business Opportunities (FBO) website. Also, pre-solicitation conferences are held with industry and eligible ordering activities to assist GSA in accurately identifying and describing potential future requirements. Additionally, for each Schedule solicitation, small business set-aside determinations are made.



#### NUTS AND BOLTS TIP

The set-aside requirements of FAR Part 19 only apply at the acquisition planning stage of the GSA Schedule solicitations and do NOT apply to orders and BPAs placed against resulting Schedule contracts (refer to FAR 8.404(a), 8.405-5, 19.502-1(b) and 38.101(e)).

#### Step 2. Standing Solicitations and Offers

Standing solicitations are posted on FBO ([www.FBO.gov](http://www.FBO.gov)), and offers are solicited and accepted from prospective businesses at any time. Solicitations are continuously refreshed and updated as contract terms and conditions evolve. After the solicitations are updated, existing Schedule contracts are modified to ensure they contain the latest terms and conditions.

#### Step 3. Evaluation

After offers are received, each individual offer is evaluated on its own merit. Offerors are provided opportunities to clarify deficiencies and are allowed to submit supplemental information.

During the evaluation process, contracting office personnel work closely with the small business technical advisor to evaluate small business subcontracting goals for large business offerors.

Prior to award, a “determination of responsibility” is made that may include the following:

- ❖ Past Performance Report
- ❖ Past Performance Information Retrieval System (PPIRS)
- ❖ Federal Awardee Performance and Integrity Information System (FAPIIS)
- ❖ Open Ratings
- ❖ Excluded Parties List System (EPLS)
- ❖ Financial Capability Assessment

Since GSA has completed a determination of responsibility at the Schedules contract level, ordering agencies are not required to conduct it at the order level. A determination of responsibility focuses on a Schedule contractor’s financial resources, integrity, operational controls, technical skills, production control procedures, quality assurance measures, property control systems, technical equipment, facilities, and past performance (refer to FAR 9.104). Other requirements and clearances may include:

- ❖ EEO clearance (refer to FAR 22.805)
- ❖ Pre-Award Audit (refer to FAR 15.404-2(a))
- ❖ Central Contractor Registration (CCR)

GSA evaluates the Schedule offerings in accordance with procedures in FAR Part 12 and the General Services Administration Acquisition Manual (GSAM). Prior to the award of a Schedule contract, the GSA Contracting Officer confirms that the prices of fixed-price services, supplies and hourly rates for services are fair and reasonable. The prices or discounts offered to GSA are compared with the prices or discounts offered by the company to its own commercial customers.

In addition, the offeror’s discount practices are examined, evaluated and used to identify the offeror’s “Most Favored Customer” (MFC) pricing. A price analysis is then performed and negotiation strategies are developed based on historical sales data and other market research techniques.

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**NOTE:** *Contracts awarded under the GSA Schedules program are in compliance with Public Law (P.L.)95-507, Section 211, Subcontracting: Agency Coordination with the Small Business Administration Resident Procurement Center Representatives.*

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### **NUTS AND BOLTS TIP**

Ordering agencies need **NOT** establish or review subcontracting plans at the Task Order level.

Prospective offerors — representing themselves as large firms and whose anticipated contract value (including option periods) is \$650,000 or more — must submit a subcontracting plan to GSA that identifies percentage goals for subcontracts with small business firms and describes how the planned goals will be achieved. In turn, GSA reviews, negotiates and approves the proposed subcontracting goals. Based upon subcontracting plans, agreed percentages enable federal government business to “flow down” to small business concerns. The GSA Contracting Officer complies with the EEO clearance procedures of FAR 22.805. As a result, a separate EEO clearance is not required at the order level.

#### **Step 4. Negotiations**

At the conclusion of contract negotiations, the prospective Schedule contractor submits final proposal revisions. Upon receipt, the Contracting Officer will either reject unacceptable offers or determine that prices are fair and reasonable. When the offeror is a small business concern and a non-responsibility determination has been made, a Certificate of Competency (COC) is requested from the Small Business Administration (SBA). SBA is authorized by Congress to certify a small company’s “capability, competency, credit, integrity, perseverance and tenacity” for performing a specific government contract (refer to FAR 19.6).

#### **Step 5. Contract Award**

Award is made to acceptable offerors considering price and other factors.



#### **NUTS AND BOLTS TIP**

Most GSA Schedule contracts have a base period of five years, with the potential opportunity of three additional five-year option periods. Options are exercised in accordance with FAR 17.207.

#### **Step 6. Award Notification and Posting**

Schedule contract information, including pricing and terms and conditions of the contract, is available via GSA eLibrary at [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov). New awardees have six (6) months to place their pricing data onto *GSA Advantage!*<sup>®</sup> ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)).



#### **NUTS AND BOLTS TIP**

Schedule contractors are required to publish an “Authorized Federal Supply Schedule Price List” to provide to ordering activities upon request. The price list contains all supplies and services offered by the Schedule contractor as well as the terms and conditions pertaining to each Special Item Number (SIN) for the Schedule contract. Schedule contractors are required to provide one copy of their price list to any ordering activity upon request.

## Section 3: Ordering Procedures

### Ordering Procedures

“Ordering activity” is an activity that is authorized to place orders or establish Blanket Purchase Agreements (BPAs) against the GSA Multiple Award Schedule contracts.

GSA has streamlined ordering procedures, allowing an ordering activity to direct its focus on the requirement rather than on a lengthy acquisition process. The ordering procedures described below are applicable to all agencies throughout the federal government. Pursuant to Sect. 863 of the fiscal year 2009 National Defense Authorization Act, both DOD and civilian agency COs must now follow the same procedures that have been required of DOD COs under DFARS 208.405-70.

The FAR provides the primary regulatory guidance for the GSA Schedules program. FAR Subpart 8.4, *Federal Supply Schedules*, prescribes procedures that ordering activities must follow when issuing orders against Schedules. By placing an order against a Schedule contract the ordering activity has concluded that the order represents the best value (as defined in FAR 2.101, *Definitions*) and results in the lowest overall cost alternative to meet the government’s need. FAR Subpart 8.4



#### NUTS AND BOLTS TIP

When agency requirements are to be satisfied using Schedule contracts the following Parts of the FAR do not apply:

- ❖ Part 13, *Simplified Acquisition Procedures* (except 13.303-2(c)(3))
- ❖ Part 14, *Sealed Bidding*
- ❖ Part 15, *Contracting by Negotiation*
- ❖ Part 19, *Small Business Programs* (except 19.202-1(e)(1)(iii))

Orders placed against a Schedule contract:

- ❖ Are not exempt from acquisition planning as required by FAR Part 7 and agency supplements
- ❖ Are not exempt from an information technology acquisition strategy as required by FAR Part 39
- ❖ Are not exempt from the requirements for a bundled contract when the order meets the definition of “bundled contract” (refer to FAR 2.101 and 13.303-2(c)(3))



## POWER BUYING TIP

Supplies and services may be combined on a single task or delivery order.

**Note:** The information contained in the table below is not all-inclusive. For more information, refer to FAR 8.404 and 8.405.

Ordering Procedures	
SUPPLIES AND SERVICES WITHOUT AN SOW	SERVICES THAT REQUIRE AN SOW
<b>Orders at or below the micro-purchase threshold:</b>  Place the order directly with any GSA Schedule contractor that can meet the ordering activity's needs.	<b>Orders at or below the micro-purchase threshold:</b>  Place the order directly with any GSA Schedule contractor that can meet the ordering activity's needs.
<b>Orders that exceed the micro-purchase threshold, but not the simplified acquisition threshold:</b>  Consider reasonably available information about the supply or service offered on the GSAAAdvantage!® online shopping service, review at least three Schedule contractors' price lists, or obtain quotations from at least three GSA Schedule contractors. Evaluate, then make a "Best Value" determination (refer to Section 3).	<b>Orders that exceed the micro-purchase threshold, but not the simplified acquisition threshold:</b>  Prepare an SOW or PWS in accordance with FAR 8.405-2(b).  <div>❖ Send the RFQ (including the SOW and evaluation criteria) to at least three GSA Schedule contractors</div> <hr/> <p><b>Note:</b> The ordering activity should request GSA Schedule contractors to submit firm, fixed prices to perform the services identified in the SOW.</p> <hr/> Evaluate, then make a "Best Value" determination.

## Ordering Procedures

### Orders that exceed the simplified acquisition threshold or when establishing a BPA:

Prepare an RFQ and post on eBuy to afford all Schedule contractors the opportunity to respond, or provide the RFQ to as many Schedule contractors as practicable, consistent with market research, to reasonably ensure that quotes are received from at least three contractors.

Seek price reductions. Evaluate all responses and place the order, or establish the BPA with the GSA Schedule contractor that represents the best value (refer to FAR 8.405-2(d)).

### Orders that exceed the simplified acquisition threshold or when establishing a BPA:

Prepare an SOW or a PWS in accordance with FAR 8.405-2(b).

Prepare the RFQ (including the SOW and evaluation criteria) and post on eBuy to afford all Schedule contractors the opportunity to respond, or provide the RFQ to as many Schedule contractors as practicable, consistent with market research, to reasonably ensure that quotes are received from at least three contractors.

**Note:** *The ordering activity should request GSA Schedule contractors to submit firm, fixed prices to perform the services identified in the SOW.*

Seek price reductions. Evaluate all responses and place the order, or establish the BPA with the GSA Schedule contractor that represents the best value (refer to FAR 8.405-2(d)).



Documentation	
<p>The ordering activity <i>must, at a minimum</i>, include the following documentation:  Name of the GSA Schedule contractor from which the supply or service was purchased; a description of the supply or service, the purchase price; if applicable, the circumstances and rationale for restricting consideration of GSA Schedule contractors to fewer than required (refer to FAR 8.405-1).</p> <hr/> <p><b>Note:</b> <i>Additional documentation is necessary when the requirement is for a particular brand name*, product or a feature of a product peculiar to one manufacturer. The ordering activity shall include an explanation in the file as to why the particular brand name, product or feature is essential to satisfy the ordering activity's needs.</i></p> <hr/> <p><i>When fewer than three quotes are received and the value exceeds the simplified acquisition threshold, the Contracting Officer must prepare a written justification explaining the steps taken to identify additional contractors even though reasonable efforts were taken to do so.</i></p> <hr/>	<p>In addition to the information shown on the left side of this table, when acquiring services using the procedures in FAR 8.405-2, the ordering activity must also document: evaluation methodology used, trade-off rationale, price reasonableness (refer to FAR 8-404(d)).</p> <hr/> <p>Rationale for other than Firm Fixed Price order or performance-based order:</p> <hr/> <p><b>Note:</b> <i>If other than a Firm Fixed Priced order is placed, include the basis for the determination to use a Labor Hour or Time and Materials order. (FAR 8.405-2(e)(7)(i) in addition to the differing D&amp;F requirements at FAR 12.207(b) and 16.601(d)).</i></p> <hr/> <p>For ordering activity requirements that exceed the micro-purchase threshold, document the evaluation of the GSA Schedule contractors' quotations that formed the basis for the selection of the contractor receiving the order. Document the rationale for any trade-offs made in the selection.</p> <hr/> <p><i>When fewer than three quotes are received and the value exceeds the simplified acquisition threshold, the Contracting Officer must prepare a written justification explaining the steps taken to identify additional contractors even though reasonable efforts were taken to do so.</i></p> <hr/>
<p>* <b>NOTE:</b> For brand name or equivalent, refer to "For Customers – Ordering from Schedules, Use of Brand Name Specifications" located at <a href="http://www.gsa.gov/schedules">www.gsa.gov/schedules</a>.</p>	

## Order Placement

Ordering activities may place orders orally, except for:

- ❖ Supplies and services not requiring a statement of work exceeding the simplified acquisition threshold
- ❖ Services requiring a statement of work (SOW)
- ❖ Orders containing brand-name specifications that exceed \$25,000

IAW FAR 17.502-1(a)(2), prior to placing an order with a value greater than \$500,000 the ordering activity shall make a determination that use of GSA Schedule contracts constitutes the best procurement approach. This determination, as a minimum, must include an analysis using the following factors:

- ❖ The suitability of GSA Schedule as the contract vehicle
- ❖ The value of using the contract vehicle, including:
  - ❖ The administrative cost savings from using an already existing contract
  - ❖ Lower prices, greater number of vendors, and reasonable vehicle access fees
- ❖ The expertise of the requesting agency to place orders and administer them against the selected contract vehicle throughout the acquisition lifecycle.

Prior to the placement of an order, the ordering activity must ensure that the regulatory and statutory requirements of the requiring agency have been applied. Orders must include the following information in addition to any information required by the Schedule contract:

- ❖ Complete shipping and billing addresses
- ❖ Contract number, agency order number and date
- ❖ F.O.B. delivery points: e.g., origin or destination
- ❖ Discount terms
- ❖ Delivery time or period of performance
- ❖ SIN or National Stock Number (NSN)
- ❖ SOW, when required, or brief, complete description of each item

(Ordering by model number, features and options such as color, finish and electrical characteristics, if available, must be specified.)

- ❖ Quantity
- ❖ Number of units
- ❖ Unit price
- ❖ Total price of order
- ❖ Points of inspection and acceptance
- ❖ Other pertinent data: e.g., delivery instructions or receiving hours and size-of-truck limitation
- ❖ Marking requirements
- ❖ Level of preservation, packaging and packing

## Best Value

Ordering activities have considerable latitude in structuring their procurement and can consider both price and other factors (e.g., past performance, technical capabilities and qualifications of key personnel) in selecting Schedule contractors.

When determining “best value” an ordering activity may take advantage of the full spectrum of best value techniques as defined in FAR 2.101, from lowest-priced technically acceptable through a full trade-off process. When determining which non-price evaluation factors to include in an RFQ, ordering activities should decide how factors will be considered and their relative importance to other non-price factors.

Ordering activities should consider:

### ❖ **Item characteristics:**

- ❖ Which commercial services/supplies match most closely with the identified activity requirement?
- ❖ Is there an apparent trade-off between service/supply features and price?

### ❖ **Past performance:**

- ❖ Does available information indicate that Schedule contractors or other available sources have significantly different past performance records?
- ❖ Does available information indicate that specialized performance experience will significantly improve a contractor’s chance of success in meeting the requirement?

### ❖ **Warranty:**

- ❖ Do Schedule contractors or other suppliers offer warranties?
- ❖ Do available warranties protect customers from significant risk?
- ❖ Are the warranties offered by Schedule contractors comparable to those offered by other sources in the market?
- ❖ If warranties are offered, does the activity have the administrative tracking and logistics capabilities necessary to take advantage of them?

### ❖ **Ownership costs:**

- ❖ What installation costs are associated with the various supplies that meet identified requirements?
- ❖ What is the reliability of the various supplies that meet identified requirements (e.g., average time between failures)?
- ❖ What are the historical repair costs for the various supplies?
- ❖ What are the historical routine maintenance costs for the various supplies?
- ❖ What are the disposal costs associated with the various supplies?

❖ **Maintenance availability:**

- ❖ Is continuing maintenance required for the supply to meet activity requirements?
- ❖ Do Schedule contractors or the suppliers provide maintenance for the identified supply?
- ❖ Do Schedule contractors or other suppliers provide maintenance in the area(s) where the supply is most likely to be used?
- ❖ If the Schedule contractor is not the Original Equipment Manufacturer (OEM), is there an agreement in place that will ensure services provided by the Schedule contractor will not void the warranty?

❖ **Useful life:**

- ❖ How long are available supplies expected to remain useful?
- ❖ Are there any significant differences in useful life between supplies?

❖ **Environmental and energy efficiency:**

- ❖ Are the products to be supplied or used designated green products, as listed in the Green Products Compilation?
- ❖ Do the products to be supplied or used meet the agency's strategic sustainability performance plan goals or the agency toxic and hazardous chemical management plan?
- ❖ Do the products to be supplied or used generate hazardous waste, or can they be disposed as solid waste or recycled at the end of their useful life?
- ❖ Does the contractor offer a take-back program for products?
- ❖ Do the products to be supplied or used meet applicable government-required energy efficiency standards, water efficiency standards, recycled or biobased content, or other energy or environmental requirements?
- ❖ Does the contractor offer opportunities for waste prevention, such as reduced packaging or packaging take-back programs?

❖ **Technical qualifications:**

- ❖ Are there significant differences in provider/supplier technical qualifications?
- ❖ If for services, is the proposed labor mix likely to result in successful performance?
- ❖ If the requirement is performance-based, has the contractor proposed appropriate performance standards and a quality assurance plan that measure the right things in order to ensure success?
- ❖ Are there unique or specialized qualifications required to meet the activity requirement?
- ❖ Are there any significant differences between the technical qualifications of Schedule contractors and other firms in the industry?
- ❖ Training and customer support issues:
  - ❖ Is training or other customer support important to the user of the supply or service?
  - ❖ Do Schedule contractors or other suppliers offer customers significantly different levels of training or other customer support?

❖ **Transportation costs:**

If items are priced other than FOB destination, will the transportation cost be significantly different for shipments from different sellers?

❖ **Administrative costs:**

- ❖ Will the administrative costs of contracting with one prospective contractor likely be different from contracting with another? In other words, will it cost more in time and/or money to contract with one seller than it will to contract with another?
- ❖ Will the administrative costs of contracting with a Schedule contractor likely be different from those associated with other commercial suppliers? (Normally administrative costs are much lower for Schedule orders.)

❖ **Delivery and performance terms:**

- ❖ Can Schedule contractors meet activity delivery or performance requirements?
- ❖ Is the delivery or performance available from Schedule contractors significantly different from the delivery or performance available from other sources?

The benefits of making a “Best Value” selection decision can result in improved mission performance and lower life-cycle costs, while encouraging Schedule contractors to provide their best supplies and services to the government.

The fundamental goal of GSA in managing the Schedules program is to provide an array of procurement choices that provides sufficient flexibility to satisfy customers in terms of choice, price, quality and timeliness of delivery.



## NUTS AND BOLTS TIP

### Best Value Factor – Socioeconomic Factors

GSA, through the Multiple Award Schedules (MAS) program, is committed to increasing contracting opportunities for small business and assisting ordering activities in achieving or exceeding their socioeconomic goals.

To support this effort, ordering activities may, in their best value determination, consider the Schedule contractor's socioeconomic status when:

- a) The order is estimated to exceed the micro-purchase threshold, ordering activities seeking to use the MAS program to achieve their agency small businesses goals, may make socioeconomic status a primary evaluation factor when making a best value determination (see FAR 8.405-2 (d) and 8.405-5 (b)).
- b) A Request for Quote (RFQ) is issued, it shall reflect that one of the primary evaluation factors is achieving the agency's socioeconomic goals.
- c) Accepting work from a requiring activity, the ordering activity must ask and *receive confirmation in writing that the requiring activity desires to achieve one of its socioeconomic goals and specify which goal.*

And

- d) Place a copy of the requirements document with the applicable confirmation in the contract or order file. The Acquisition Plan should indicate which socioeconomic objective is to be achieved through the respective acquisition.



## NUTS AND BOLTS TIP

### Competition

If the response to any of the following questions is “yes,” competition may be unnecessarily limited:

- ❖ Is the SOW narrowly defined with overly restrictive specifications or performance standards?
- ❖ Is the order written in such a way as to create a continuous arrangement with the same contractor?
- ❖ Was the requirement obtained through the use of restricted competition not in accordance with the procedures in FAR 8.405-6?
- ❖ Is it a brand name or equivalent? Refer to “For Customers – Ordering from Schedules, Use of Brand Name Specifications” located at [www.gsa.gov/schedules](http://www.gsa.gov/schedules).

## Ordering Activity – A Matter of Choice

Ordering activities have the primary responsibility to meet their agency missions. By using Schedules, ordering activities may access a wide variety of contractors. Ordering activities may place orders in a competitive environment to contractors offering the best value.

Ordering activities are encouraged to explore and understand the features available under the Schedules program and to use them to optimize their purchasing experience. As with any purchase, the ordering activity is responsible for applying the regulatory and statutory requirements for which the order is placed or the BPA is established. The requiring agency shall provide the information on the applicable regulatory and statutory requirements to the Contracting Officer responsible for placing the order.

Performance-based Acquisitions (PBAs), in which requirements are stated in terms of results or outcomes, allow an ordering activity to focus on agency mission and are the preferred method of acquisition (FAR Subpart 37.6). The Performance Work Statement (PWS) or Statement of Objectives (SOO) states what is to be accomplished and allows Schedule contractors to propose various solutions to accomplish the objective. When ordering activities state the results requested, Schedule contractors are better able to offer more creative, cost-effective solutions. Refer to Section 7 where this topic is discussed in more detail.

## Describing Agency Needs and Alternatives to Brand Name Constraints

It is important to strive to maintain vendor and technology neutrality to the maximum extent feasible when creating requirements and writing contract specifications. It is just as important to use performance specifications whenever possible to encourage offerors to propose innovative solutions. However, there are two significantly different circumstances recognized in the FAR in which the government's need cannot be adequately and completely described without some reference to a particular brand name product or feature of a product.

**1. Brand Name or Equal:** Using a “Brand Name or Equal” purchase description is recognized as permissive of competition because it allows offerors to propose alternatives with supporting information that demonstrates their solution's equality. While the “Brand Name or Equal” approach is accepted as being adequately permissive of firms' opportunity to compete for award (e.g., FAR 6.302(c)), it is nonetheless severely limiting with respect to innovative solutions:

*FAR 11.104 states, “... the use of brand name or equal purchase descriptions may be advantageous under certain circumstances.” and “... Brand name or equal purchase descriptions must include, in addition to the brand name, a general description of those salient physical, functional, or performance characteristics of the brand name item that an 'equal' item must meet to be acceptable for award. Use brand name or equal descriptions when the salient characteristics are firm requirements.”*

**2. Brand Name:** This is not the preferred approach because it is the most restrictive to industry in terms of competitive opportunities for innovative solutions. Thus, use of this approach is severely limited and requires the support of an approved limited sources justification:

*FAR 11.105 states “agency requirements shall not be written so as to require a particular brand name, product, or feature of a product, peculiar to one manufacturer, thereby precluding consideration of a product manufactured by another company, unless ...(t)he particular brand name, product, or feature is essential to the government’s requirements, and market research indicates other companies’ similar products, or products lacking the particular feature, do not meet, or cannot be modified to meet, the agency’s needs.”*

However, both of these approaches limit offerors’ flexibility in proposing innovative solutions to meeting agency needs. Moreover, use of each of these approaches to describing agency needs entails mandated additional requirements for the description’s contents to comply with the FAR requirements about the use of such specification constraints.

For example, if an agency needs a microprocessor, rather than issue brand name specifications for microprocessors associated with a single manufacturer, the agency should articulate a benchmark for performance or specify the requirements for applications and interoperability. Benchmarks for microprocessors can be specific for functions such as Internet content creation, office applications, or mail servers. Benchmarks may also measure the overall performance of computers.

## **Market Research – GSA Schedules**

Market research is defined as collecting and analyzing information on the market for a government requirement (refer to FAR 2.101). It is an essential element in acquiring commercial items and provides information to the ordering activity in understanding the requirement and what is available in the commercial marketplace.

Acquisitions begin with a description of the ordering activity’s needs, stated in terms sufficient to conduct market research. The type, extent, and use of market research is determined by the availability of a commercial supply or service, the complexity of the order, its nature (whether the order is to fulfill a new or recurring requirement, an enhancement, etc.), the dollar value of the order, and the industry sector involved (refer to FAR 10.002). Both the ordering Contracting Officer and requiring activity are responsible for market research.

To perform effective market research, the ordering activity must collect and analyze information about the capabilities within the market to satisfy the agency’s need. The results of market research will determine if Schedule contracts have items/services available to meet an ordering activity’s needs. At the same time, market research will also indicate whether commercial sources exist that are capable of satisfying the activity’s requirement, as well as the customary commercial terms and conditions (e.g., practices of firms engaged in producing, distributing and supporting commercial items in terms of warranty, buyer financing, maintenance and packaging and the market environment). In addition, market research helps identify the most advantageous (“best”) procurement vehicle consistent with FAR 8.404 and 17.502-1(a)(2). If the value of an order exceeds \$500,000, a determination and findings must be prepared by the ordering agency to ensure that use of the GSA Schedules



is the best procurement approach. This includes such factors as the suitability of the vehicle, the value including potential cost savings, and the expertise to place and administer the order.

Other factors ordering activities will want to include during market research are performance standards, industry trends, price, delivery times, payment methods, trade-offs, quality control methods, surveillance methods, etc. Using GSA eTools ordering activities may perform market research, review the terms and conditions of capable Schedule contractors and perform price comparisons. Refer to Section 11, eTools.

Effective market research will ensure sustainability and environmental efficiency is considered.

Market research may be facilitated through the use of eBuy to distribute a Request for Information (RFI) to Schedule contractors. Using an RFI via eBuy may produce valuable feedback from potential Schedule contractors on how to best to tailor the acquisition and how to best utilize Schedule sources.

Market research is the cornerstone in developing acquisition strategies. Contracting Officers must identify which Schedule contractors are capable of performing the required work, as well as verifying how many Schedule contractors are interested in the opportunity. Based on this research, they may be able to determine how many are likely to respond in order to ensure that at least three quotes are received. The Contracting Officer must, at a minimum, review the Schedule contracts to determine which Schedule contractors are capable of performing the required work.

- ❖ Market research is especially important for task orders exceeding the simplified acquisition threshold. The Contracting Officer and the requiring agency personnel must conduct market research as described below. Use GSA eLibrary, ([www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)) to learn which Schedule vendors are capable of providing the products and/or services needed to fulfill the ordering agency's requirements. Pursuant to FAR Part 10, vendors may be contacted in an attempt to learn as much about the commercial marketplace as possible, including things like performance or industry standards, warranty, maintenance requirements, risks and advantages of various potential solutions, etc.
- ❖ If market research reveals that the number of capable and interested vendors is low, the use of eBuy will serve to notify all vendors on the Schedule about the requirement. If fewer than three quotes are received, then additional steps must be taken to document the file.
- ❖ Once the Contracting Officer and the requiring office representatives have gathered the information they need to become educated consumers, they can then finalize their SOW/PWS/SOO and develop appropriate evaluation criteria.

If fewer than three quotes are received, the Contracting Officer may place the order; provided that the Contracting Officer determines, in writing, that no additional contractors who can fulfill the requirement could be identified despite reasonable efforts to do so. However, if the Contracting Officer cannot document that sufficient market research was conducted to identify potential Schedule contractors capable of performing the work, and sufficient Schedule contractors were notified, the Request for Quote (RFQ) must be reissued.

## Limited Source Justification and Approval

When the estimated values exceed the simplified acquisition threshold, as well as when establishing BPAs, limiting sources must be justified in writing and approved at the required levels (refer to FAR 8.405-6).

Although orders or BPAs placed under Schedules are exempt from the requirements in FAR Part 6, an ordering activity must justify its actions when (1) restricting consideration of Schedule contractors to fewer than the number required by FAR 8.405-1 or 8.405-2 or, (2) restricting consideration to a brand name item peculiar to one manufacturer.

When an ordering activity restricts consideration of Schedule contractors to fewer than that required in FAR 8.405-1 or 8.405-2, the ordering activity shall procure only if the need to do so is justified in writing and approved at the levels specified in FAR 8.405-6(d).



### NUTS AND BOLTS TIP

#### Posting the RFQ

Posting the RFQ on eBuy is automatically considered to be adequate justification that “reasonable efforts” were made to identify contractors who can fulfill the requirement in the event that fewer than three quotes are received. ([www.ebuy.gsa.gov](http://www.ebuy.gsa.gov))

## Orders or BPAs Exceeding the Micro-Purchase Threshold, but Not Exceeding the Simplified Acquisition Threshold

For proposed orders or BPAs exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold, the ordering activity Contracting Officer shall document the circumstances when restricting consideration of Schedule contractors to fewer than required in FAR 8.405-1, 8.405-2 or 8.405-3. The only circumstances that may justify the action are found in FAR 8.405-6(a)(i)(A), (B), or (C). (See NUTS AND BOLTS TIP).

### Orders or BPAs Exceeding the Simplified Acquisition Threshold

- ❖ For proposed orders or BPAs exceeding the simplified acquisition threshold, the requiring activity shall assist the ordering activity Contracting Officer in the preparation of the justification. The justification shall cite that the procurement is conducted under the authority of the GSA Multiple Award Schedules program (refer to FAR 8.401).
- ❖ As a minimum, each justification shall include the following information:
  - ❖ Identification of the agency and the contracting activity, and specific identification of the document as a “Limited Source Justification”
  - ❖ Nature and/or description of the action being approved
  - ❖ A description of the supplies or services required to meet the agency’s needs (including the estimated value)

- ❖ Identification of the justification rationale (refer to FAR 8.405-6(g)(2)(iv)) and, if applicable, a demonstration of the proposed contractor's unique qualifications to provide the required supply or service
- ❖ A determination by the ordering activity Contracting Officer that the order represents the best value consistent with FAR 8.404(d)
- ❖ A description of the market research conducted among Schedule holders and the results or a statement of the reason market research was not conducted
- ❖ Any other facts supporting the justification
- ❖ A statement of the actions, if any, the agency may take to remove or overcome any barriers that led to the restricted consideration before any subsequent acquisition for the supplies or services is made
- ❖ The ordering activity Contracting Officer's certification that the justification is accurate and complete to the best of the Contracting Officer's knowledge and belief
- ❖ Evidence that any supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the government's minimum needs or requirements or other rationale for limited sources) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel

### **Posting Requirements for Limited Source Orders and BPAs Exceeding the Simplified Acquisition Threshold**

Within 14 days after placing an order or establishing a BPA supported by a limited-sources justification, the ordering activity must publish a notice in FedBizOps and provide a link to the supporting justification in accordance with FAR 8.405-6(a)(2). The ordering activity must provide access to the link for a minimum of 30 days.



#### **NUTS AND BOLTS TIP**

Circumstances that may justify restriction include:

- ❖ Only one source is capable of responding due to the unique or specialized nature of the work.
- ❖ The new work is a logical continuation of an original Schedule order, provided that the original order was placed in accordance with the applicable Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.
- ❖ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

## Justification Approvals

- ❖ For proposed orders exceeding the simplified acquisition threshold, but not exceeding \$650,000, the ordering activity Contracting Officer's certification that the justification is accurate and complete to the best of the ordering activity Contracting Officer's knowledge and belief will serve as approval, unless a higher approval level is established in accordance with agency procedures.
- ❖ For a proposed order exceeding \$650,000, but not exceeding \$12.5 million, the justification must be approved by the competition advocate of the activity placing the order, or by an official named in paragraph (h)(3) or (h)(4) of FAR 8.405-6. This authority is not delegable.
- ❖ For a proposed order exceeding \$12.5 million, but not exceeding \$62.5 million (or, for DOD, NASA, and the Coast Guard, not exceeding \$85.5 million), the justification must be approved by the head of the procuring activity placing the order, or a designee who, if a member of the armed forces, is a general or flag officer, or if a civilian, is serving in a position in a grade above GS-15 under the General Schedule (or in a comparable or higher position under another Schedule); or an official named in paragraph (h)(4) of FAR 8.405-6.
- ❖ For a proposed order exceeding \$62.5 million (or, for DOD, NASA and the Coast Guard, over \$85.5 million), the justification must be approved by the senior procurement executive of the agency placing the order. This authority is not delegable, except in the case of the Under Secretary of Defense for Acquisition, Technology and Logistics, acting as the senior procurement executive for the Department of Defense.

## Notification of Award and Feedback to Unsuccessful Quoters

After award, when using the ordering procedures for services requiring an SOW, the ordering activity shall provide timely notification to unsuccessful quoters. If an unsuccessful quoter requests information on an award that was based on factors other than price alone, a brief explanation of the basis for the award decision must be provided (refer to FAR 8.405-2(d)). This is NOT a "debriefing" as described in FAR 15.5.

## Contract Administration Functions

Contract administration focuses on obtaining quality supplies and services on time and within budget. Contract administration involves actions performed by ordering activities after an order has been placed, to ensure the Schedule contractor performs in accordance with the order requirements and complies with the terms and conditions of the Schedule contract. See FAR 8.406-7 and 42.1502(c).

## Options on Orders Placed against Schedule Contracts and BPAs

Options may be included on orders placed against Schedule contracts, if the options are clearly stated in the requirement and are evaluated as part of the ordering activity's "Best Value" determination. Such options may be exercised on Schedule contract orders, provided that:

- ❖ Funds are available
- ❖ The requirement covered by the option fulfills an existing government need
- ❖ Prior to exercising an option, the ordering activity ensures that it is still in the government's best interest, with price and other factors considered
- ❖ The options do not extend beyond the period of the Schedule contract, including option year periods

The length of the order and the risk to the ordering activity could be considered as part of the overall evaluation of best value.



### NUTS AND BOLTS TIP

Options need not be included in multiple-award BPAs (FAR 8.405-3 does not require them). However, the BPAs must be reviewed on an annual basis as described in FAR 8.405-3(d). Multiple-award BPAs generally do not exceed five years, but may do so to meet program requirements.

Single-award BPAs may include up to four, one-year options, however prior to exercising each option the ordering activity competition advocate must approve the extension.

## Trade Agreements Act

The current threshold for the applicability of the Trade Agreements Act (for a supply or service contract) is \$203,000. The U.S. Trade Representative revises this threshold approximately every two years (refer to FAR 25.402(b)). GSA applies the threshold on a Schedule-wide basis, and therefore the Trade Agreements Act applies to all Schedule contracts and orders. All Schedule products and services must come from the U.S. or a designated country.

Sometimes an item consists of components from various countries, and the components are assembled in an additional country. It can be difficult to determine which country is the "country of origin." The trade agreements test to determine country of origin is "substantial transformation" (e.g., transforming an article into a new and different article of commerce, with a name, character, or use distinct from the original article) (refer to FAR 25.001(c)).

The responsibility for making a determination of substantial transformation rests solely with the contractor. The contractor can go to The Office of Regulations and Rulings within U.S. Customs and Border Protection, which is the federal agency responsible for making substantial transformation determinations or giving their opinions. Their determinations or opinions are based upon tariff laws. The contractor may also request an opinion from a third party expert or make the determination on their own.

The website for the U.S. Customs and Border Protection is [www.cbp.gov](http://www.cbp.gov).

## Methods of Ordering from a GSA Schedule Contract

There are several methods that ordering activities can use to place an order. These include:

- ❖ Online orders on *GSA Advantage!*<sup>®</sup> using a governmentwide commercial purchase card
- ❖ Oral orders using a governmentwide commercial purchase card
- ❖ Written orders using agency-prescribed purchase order form (GSA eBuy may be used to issue RFQs and receive quotes)
- ❖ Orders issued against a GSA Federal Strategic Sourcing Initiative (FSSI) BPA or an agency established BPA



### NUTS AND BOLTS TIP

Create your acquisition strategy.

- ❖ Identify objective of the acquisition
- ❖ Develop competitive requirements document (e.g., SOW/PWS/SOO)
- ❖ Use oral clarifications
- ❖ Identify performance measures that show the objective will be met

## Section 4: Responsibilities

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When using Schedule contracts, ordering activities are encouraged to take on the role of “smart buyers.” In other words, ordering activities do not need to know how to produce the product or service required; instead, they need to be able to:

- ❖ Specify requirements
- ❖ Follow the ordering procedures
- ❖ Determine “Best Value”
- ❖ Select the right contractor
- ❖ Administer the order
- ❖ Perform close-out activities

### Past Performance

Ordering agencies should evaluate whether their contracting partners are reliable by examining their past performance. Past performance is a key indicator for predicting future performance. Elements of past performance may include the ability to meet contract requirements, good workmanship, quality, timeliness, responsiveness to customers and maintaining business relations as well as a firm’s ability to manage and document contract performance, costs and delivery schedules.

Ordering activities should be aware of the distinction between experience and past performance. In the evaluation of these two factors, ordering activities must be reasonable and consistent with the RFQ’s evaluation criteria.

- ❖ Experience is an objective evaluation criteria based on whether the Schedule contractor previously performed the requisite work.
- ❖ Past performance is defined as a measure of the degree to which a Schedule contractor has satisfied its customers in the past and complied with applicable laws and regulations. Past performance is considerably more open to interpretation.



### NUTS AND BOLTS TIP

Both experience and past performance may be evaluated in terms of relevance to the scope of the procurement under consideration.

## Additional Resources

### Past Performance Information Retrieval System ([www.ppirs.gov](http://www.ppirs.gov))

The Past Performance Information Retrieval System (PPIRS) is a Web-enabled application that allows the retrieval of contractor past-performance information. This system is available to all source selection officials across the entire federal government. PPIRS is sponsored by the DOD eBusiness Office, and is administered by the Naval Sea Logistics Center Detachment Portsmouth. It is also a central warehouse used to retrieve performance assessment reports received from six of the recognized federal report card collection systems:

- ❖ The National Institutes of Health (NIH) Contractor Performance System (CPS)
- ❖ The National Aeronautics and Space Administration (NASA) Past Performance Data Base (PPDB)
- ❖ The Army's Past Performance Information Management System (PPIMS)
- ❖ The U.S. Army Corps of Engineers' Construction Contractor
- ❖ Appraisal Support System (CCASS)
- ❖ The Contractor Performance Assessment Reporting System (CPARS) used by the Navy, USMC, Air Force, DLA and other defense agencies

## Order Placement in the Case of a Contractor Debarred, Suspended, or Proposed for Debarment

Ordering agencies should check the Excluded Parties Listing System (EPLS) prior to placing a Schedule order (refer to [www.epls.gov](http://www.epls.gov)). EPLS status is also displayed on the contractor's information page in GSA eLibrary ([www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)). FAR 9.405-1, *Debarment, Suspension and Ineligibility* prohibits agencies from: placing orders exceeding the guaranteed minimum against existing contracts; placing orders against optional GSA Schedule contracts; adding new work; exercising options; and otherwise extending the duration of contracts with contractors that are debarred, suspended or proposed for debarment unless the agency head makes a determination that there are compelling reasons for doing so. This also applies to BPAs and Basic Ordering Agreements (BOAs).



## **Federal Awardee Performance and Integrity Information System (FAPIS)**

The Federal Awardee Performance and Integrity Information System (FAPIS), established by Section 872 of the Duncan Hunter National Defense Act of 2009, contains specific information on the integrity and performance of covered federal agency contractors and grantees. FAPIS is available for use in award decisions at [www.FAPIS.gov](http://www.FAPIS.gov), and via a link on [www.ppis.gov](http://www.ppis.gov). FAPIS is intended to significantly enhance the scope of information available to Contracting Officers as they evaluate the integrity and performance of prospective contractors competing for federal contracts and to protect taxpayers from doing business with contractors that are not responsible sources.

The GSA Contracting Officer has made the responsibility determination at the contract level IAW FAR Subpart 9.1. While further determinations are not required at the order level, FAPIS information may be used at the discretion of the ordering agency Contracting Officer IAW local policy.

# Section 5: Making the Most of the GSA Schedules Program

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## Understanding Terms and Conditions

The GSA Schedules program is designed to assist government customers in achieving their procurement requirements and goals. The terms and conditions, including all clauses, are available for viewing for each Schedule through GSA eLibrary. While GSA will not alter the terms and conditions of a Schedule contract in violation of CICA, nor alter the scope of a contract to meet an individual ordering activity's unique needs, an ordering activity may add terms and conditions to an order that do not conflict with the Schedule contract terms and conditions.

An explanation of the following Schedule contract terms and conditions is provided. To view all of the terms and conditions of a Schedule contract, visit Contracts Online through GSA eLibrary at [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov).

Online Representations and Certifications Application (ORCA) for Schedule contractors can be viewed at <https://orca.bpn.gov>.

## Economic Price Adjustments (EPA)

GSA Schedule contractors are allowed to renegotiate or modify prices in accordance with their commercial practices.

- ❖ Price decreases may be requested by the contractor at any time during the contract period.
- ❖ Price increases will occur in accordance with the EPA clauses negotiated with each contractor. Common techniques include commercial price lists, fixed escalations and market indices (e.g., then-current rate of inflation).

## Small Business

GSA and the Small Business Administration (SBA) strongly support the participation of small business concerns in the GSA Schedules program. SBA policy allows agencies to include in their procurement base and goals, the dollar value of orders expected to be placed against Schedule contracts, and to report actual Schedule procurements as accomplishments against these goals. Currently, orders to Schedule 8(a) contractors do not receive 8(a) credit. However, since 8(a) contractors are, by definition, small disadvantaged businesses, ordering activities may count awards to such companies against their small business goals.

“Set-asides,” as described in FAR Part 19 are not allowed under the GSA Schedules program. However, ordering activities may consider socioeconomic status when identifying contractor(s) for consideration or competition for award of an order or BPA. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, or small disadvantaged business Schedule contractor(s).



### **NUTS AND BOLTS TIP**

#### **Set-asides at the Schedule Level**

While set-asides under FAR Part 19 are not allowed at the order level under a GSA Schedule, GSA has set aside some Schedules and SINs at the contract level. Visit [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov) and search using the term “set-aside” for a complete listing of Schedules and SINs that have been set aside.

Schedule contractors' catalogs/price lists, *GSA Advantage!*<sup>®</sup> and GSA eLibrary contain information on a broad array of supplies and services offered by small business concerns. This information should be used as a tool to assist agencies in providing the maximum practicable opportunities for small business concerns, in order to meet or exceed established small business goals. The information should also be used as a tool to assist in identifying small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, and small disadvantaged business Schedule contractors when making a best value determination.

For orders exceeding the micro-purchase threshold, ordering activities should give preference to the items of small business concerns whenever two or more items at the same delivered price will satisfy the requirement (refer to FAR 8.405-5). In accordance with FAR 8.405-5(a), ordering activities should rely on the small business representations made by Schedule contractors at the contract level.



### **NUTS AND BOLTS TIP**

It is important to remember that socioeconomic status can be utilized as a primary evaluation factor in source selection.



### **NUTS AND BOLTS TIP**

Ordering activities may count orders with small business firms toward their socioeconomic goals. Small Business Schedule contractors are identified in GSA eLibrary and *GSA Advantage!*<sup>®</sup> by socioeconomic indicators (e.g., s=small business).

## Small Business Process

GSA is committed to supporting small business and helping agencies to achieve their small business goals. The following information will assist the federal buyer in understanding how to use Schedules to enhance small business utilization in the procurement process.

### Conduct Market Research

Ordering activities should utilize *GSA Advantage!*<sup>®</sup> and GSA eLibrary to identify small businesses capable of meeting the requirement. Through *GSA Advantage!*<sup>®</sup>, ordering activities can find all contractors who provide the supply/product required and view the socioeconomic status of each contractor. Through GSA eLibrary, ordering activities can find all contractors under the Special Item Number (SIN) associated with the required supply or service; ordering activities can then go one step further and filter the list of contractors by any specific socioeconomic category desired.

If a search on *GSA Advantage!*<sup>®</sup> and GSA eLibrary does not result in any possible small business sources, ordering activities may also consider issuing a Request for Information (RFI) on eBuy to determine the capabilities of small businesses in the relevant SINs and to identify small businesses capable of doing the work.

After conducting market research, ordering activities should be able to answer the question, “Is a small business capable of doing the work?”

### A Small Business is Capable of Doing the Work in Its Entirety

If the ordering activity has determined that a small business can meet the whole requirement alone, it has two options:

- ❖ In the acquisition of supplies or services not requiring a statement of work, ordering activities simply have to review the catalog or price list (available on *GSA Advantage!*<sup>®</sup> and GSA eLibrary) of at least three Schedule contractors who are small businesses and place an order with the Schedule contractor that represents the best value.
- ❖ In the acquisition of services requiring a statement of work and below the simplified acquisition threshold, ordering activities can designate socioeconomic status as a primary evaluation factor in the Request for Quote (RFQ). For additional guidance on how to use socioeconomic status as an evaluation factor, see the sample RFQ language posted on [www.gsa.gov/schedulesandsbgoals](http://www.gsa.gov/schedulesandsbgoals).

### A Small Business is Capable of Only Doing Part of the Work on Its Own

If market research reveals that there is no small business that can meet the requirement as a whole but there are small businesses that can each cover portions of the entire requirement, ordering activities can designate socioeconomic status as a primary evaluation factor and also encourage Contractor Teaming Arrangements (CTAs) in the RFQ. The RFQ can then be posted on eBuy which will result in all Schedule contractors awarded the relevant SIN(s) to be able to view the document. While posting on eBuy will result in the RFQ being viewable by large businesses awarded the relevant SIN(s), designation of socioeconomic status as an evaluation factor and the CTA language in the RFQ will prompt them to find a small business (or businesses) to partner with in responding to the requirement. Posting on eBuy will also ensure that a sufficient number of small businesses (i.e., all those awarded the relevant SIN(s)) have access to the RFQ so that there is a greater probability of receiving responses from CTAs made up solely of small businesses. For sample RFQ language on evaluating

CTAs for the socioeconomic status factor, view the presentation titled “GSA Schedules and the Utilization of Small Business” on [www.gsa.gov/schedulesandsbgoals](http://www.gsa.gov/schedulesandsbgoals).

### **A Small Business is Not Capable of Doing Any Part of the Work**

If market research reveals that the requirement can only be met by an “other than small business,” ordering activities can still utilize small business by designating subcontracting to small businesses as a primary evaluation factor. Ordering activities can then post the RFQ to eBuy.

### **Evaluate the Quotes**

In any situation, quotes must always be evaluated in accordance with the evaluation factors listed in the RFQ.

### **Report in CPARS Contracting Performance**

Recent rulings require ordering activities to report past performance and other responsibility-related determinations into the Contractor Performance Assessment Reporting System (CPARS).

Regardless of whether the BPA/task order was placed with a small business, a CTA, or an “other than small business,” ordering activities should report past performance for the contractor in CPARS for all orders, but must report past performance for orders exceeding the SAT. Positive past performance will assist the small businesses with being awarded BPAs/orders in the future.

## **Environmental Identification**

[www.gsa.gov/gogreen](http://www.gsa.gov/gogreen)

Federal agencies are required by statutes and executive orders to purchase certain products with specific environmental or energy attributes. E.O. 13423, Strengthening Federal Environmental, Energy, and Transportation Management, set acquisition-related goals for purchasing green products, alternative fuel vehicles, sustainable buildings, and green IT. E.O. 13514, Federal Leadership in Environmental, Energy, and Economic Performance, set a goal that 95% of contract actions must require green products.

GSA's goal is to become the preferred source for environmental products and services in the federal government. A variety of environmental products and services are available to Schedule users to assist them in their efforts to comply with procurement responsibilities outlined in federal environmental laws and regulations.

Environmental products and services are categorized as:

- ❖ Comprehensive procurement guideline products and other recycled products
- ❖ ENERGY STAR® products and other energy efficient products
- ❖ Biobased products
- ❖ Environmentally preferable products (refer to [www.gsa.gov/greenproductscompilation](http://www.gsa.gov/greenproductscompilation))
- ❖ Alternative fuel vehicles (refer to [www.gsa.gov/afv](http://www.gsa.gov/afv))
- ❖ Non-ozone depleting substances
- ❖ Priority chemicals

- ❖ Safer paints, cleaning, and other chemical products
- ❖ Environmental services (refer to [www.gsa.gov/environmentalservices](http://www.gsa.gov/environmentalservices))
- ❖ Energy services (refer to [www.gsa.gov/energyservices](http://www.gsa.gov/energyservices))

Schedule contractors are required to properly identify products that have environmental attributes to assist ordering activities seeking to comply with environmental laws and supporting regulations and executive orders (refer to GSAM 552.238-72). Schedule contractors are required to make their identifications in following mediums: (1) the offer itself; (2) printed commercial catalogs, brochures and price lists; (3) online products website; (4) electronic data submission for *GSA Advantage!*® via GSA's Schedules Input Program (SIP) software or the Electronic Data Interchange (EDI). Ordering activities desiring to utilize service contracts that assist them with preparing environmental impact statements, compliance requirements, environmental/occupational training, remediation and other needs should refer to [www.gsa.gov/environmentalservices](http://www.gsa.gov/environmentalservices).

Energy Services (refer to [www.gsa.gov/energyservices](http://www.gsa.gov/energyservices)).

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**Note:** *Customers should review Schedule contractor literature and contact the Schedule contractor directly to obtain complete information regarding environmental claims.*

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Agencies are required to purchase green products designated by the U.S. Environmental Protection Agency, Department of Energy, and Department of Agriculture. Rather than reviewing multiple websites, you can find the designated products listed in the Green Products Compilation, [www.gsa.gov/greenproductscompilation](http://www.gsa.gov/greenproductscompilation). The products are listed by category (e.g., office products, office electronics). GSA updates the Compilation quarterly.

Applicable guidance can also be found in FAR 23, *DFARS* 223 and on the GSA Environmental Products website at [www.gsa.gov/enviro](http://www.gsa.gov/enviro).

## Price Reductions

Ordering activities may request additional pricing discounts or concessions from Schedule contractors at any time before placing an order or establishing a BPA. Price reductions may also be requested in conjunction with the annual BPA review. Also note that ordering activities should seek a price reduction whenever the supply or service is available elsewhere at a lower price or when estimated quantities/amounts under a BPA have been exceeded.

Additionally, ordering activities **MUST** seek a price reduction whenever placing an order or establishing a BPA that exceeds the simplified acquisition threshold.

In response, a Schedule contractor can give an ordering activity a discount without passing the discount on to other authorized ordering activities (refer to FAR Subpart 8.4). The provision, in essence, allows the Schedule contractor to offer, and the government to accept, spot-pricing available in the commercial market.

This mechanism enhances competition and allows Schedule contractors to react more immediately to the commercial marketplace, move inventory and increase sales through promotional marketing.



### POWER BUYING TIP

“On-the-Spot Discounting” allows the Schedule contractor to reduce the GSA price at any time, regardless of the dollar amount.



### POWER BUYING TIP

Ordering activities are required to ask for a price reduction for orders against Schedules and BPAs above the SAT.

## Performance Incentive

Performance incentives may be agreed upon between the contractor and the ordering office on individual orders or in a BPA.

To the maximum extent practicable, ordering activities may consider establishing incentives when performance is critical to the agency's mission and incentives are likely to motivate the contractor. Any incentive clause that the Schedule user includes should be:

- ❖ Designed to relate results achieved to specified targets
- ❖ Based on contractor achievement of measurable performance objectives

For example, in a service contract, the Quality Assurance Surveillance Plan (QASP) might identify an Acceptable Quality Level (AQL) of 97 percent on-time performance. The order could also provide a priced incentive if the contractor performs on time 99 percent of the time.

The RFQ should identify any performance incentive clause that the ordering office intends to include in the resulting order or BPA.

The ordering office must establish a maximum performance incentive price for the services and/or total solutions on individual orders or a BPA utilizing performance incentives.

Additionally, when an order is placed, incentive funding must appear on the order as a separate line item (e.g., “Incentive Fund Pool — not-to-exceed \$10,000”).

## Worldwide Coverage, Expedited Delivery

A primary goal of the Schedules program is to service the customer, regardless of geographic location. Schedule contracts offer the following choices of delivery:

- ❖ Worldwide – covering domestic and overseas delivery
- ❖ Domestic – covering delivery to the 48 contiguous states, Washington, D.C., Alaska, Hawaii, and Puerto Rico
- ❖ Overseas Only – covering delivery to overseas destinations other than Alaska, Hawaii, and Puerto Rico

Many Schedule contractors are able to deliver overnight or within a few days.

## Trade-Ins

Ordering activities should consider trade-ins against the purchase of new equipment when determining the “Best Value” purchase or at the lowest overall cost; e.g., the price of the item plus administrative costs such as removal (labor), transportation costs, storage costs, etc. If equipment was traded in as part of the purchase arrangement, the file should show the type, brand and value of the equipment exchanged. Trade-ins must comply with provisions of the Federal Property Management Regulations refer to 41 CFR 102.39 (refer to [www.gsa.gov/exchangesale](http://www.gsa.gov/exchangesale)).



### POWER BUYING TIP

Trade-ins are allowable and can be applied directly to orders placed against GSA Schedule contracts.

## Governmentwide Commercial Purchase Card – GSA SmartPay® 2

A governmentwide commercial purchase card is issued by government agencies and allows federal employees to make official purchases. Schedule contractors are required to accept the governmentwide commercial purchase card for orders up to the micro-purchase threshold and are encouraged to accept the purchase card for purchases above this threshold.



### POWER BUYING TIP

Ordering activities may make payments for oral or written orders using the governmentwide commercial purchase card (refer to FAR 8.405-7).

The purchase card enables day-to-day business purchases and allows ordering activities to manage the information contained in the management information reports in order to negotiate better discounts from contractors.

## Benefits of the GSA SmartPay® 2 Program

The GSA SmartPay® 2 program provides the federal government and its contractors with numerous benefits including:

- ❖ A streamlined purchasing process that eliminates the use of purchase orders and reduces administrative costs
- ❖ An improved payment process that allows fully automated invoicing and payment processing
- ❖ Performance-based refunds for agencies based on net charge volume
- ❖ Electronic access systems that allow for streamlined financial operations and allocation methods



Remember to identify your ordering activity as a Schedule customer whenever placing an order and ask Schedule contractors for their Schedule contract numbers and Schedule pricing.

The GSA SmartPay® 2 website, available at [www.smartpay.gsa.gov](http://www.smartpay.gsa.gov), provides a copy of the Master Contract, contractor guides, performance summaries, a list of agency representatives for questions and answers, agency information, and points of contact. Web-based training for agency/program coordinators is available at <https://smartpay.gsa.gov/program-coordinators/training>.

A self-paced tutorial is also available at <https://smartpay.gsa.gov/program-coordinators/training> to instruct new cardholders on how to use the purchase card responsibly.



### NUTS AND BOLTS TIP

Whenever the purchase card is used as a payment method for a contract action, the contract action may be applied toward ordering agencies' goals based upon the socioeconomic characteristics of the GSA Schedule contractor.

## FAR 51 Deviation

### Purpose

FAR Subpart 51.1, *Contractor Use of Government Supply Sources*, prescribes policies and procedures under which contractors may use government supply sources. Currently, Contracting Officers may authorize contractors to use GSA sources of supply in the performance of cost-reimbursement contracts and under other limited scenarios when determined to be in the best interest of the government.

In order to better meet the needs of GSA's customer agencies, a deviation to FAR Subpart 51.1 has been approved to expand the authority of contractors to use GSA sources of supply. Specifically, federal government Contracting Officers are now authorized to give all GSA contractors access to the Federal Supply Schedule (FSS) and GSA Global Supply™ programs when deemed appropriate for fulfillment of their agency requirements. Please note that the FSS program is inclusive of those Schedules managed by the Department of Veterans Affairs. This authority is limited to contracts/orders:

- ❖ Placed on a Time and Materials (T&M)/Labor Hour (LH) basis — a contract awarded or an order placed by the federal government to the buying contractor can be partially fixed-price, but the portion of the contract/order for the items to be procured using the FAR 51 deviation must be T&M/LH
- ❖ For ancillary supplies/services that are in support of the overall contract/order such that the items are not the primary purpose of the work ordered, but are an integral part of the total solution offered
- ❖ Issued in accordance with the procedures in FAR 8.405-1, *Ordering Procedures* for supplies, and services not requiring a statement of work (applicable only to orders placed against Schedule contracts)
- ❖ Placed by the federal government. The authorization is **NOT** available to state and local governments

## Benefits

The ability for GSA contractors to purchase from the FSS and GSA Global Supply™ programs benefits our customers and contractor community in the following ways.

- ❖ Allows GSA contractors to provide a total contract solution to meet customers' needs
- ❖ Expands upon existing benefits of GSA vehicles, such as streamlining of procurements, ease of ordering, leveraged pricing, time savings, and responsible contractors
- ❖ Meets customer needs expeditiously because the ancillary supplies and services are readily available from the FSS Program or GSA Global Supply™ programs
- ❖ Reduces agency procurement and contract administration costs
- ❖ Provides agencies opportunities to increase utilization of small businesses
- ❖ Reduces the necessity for Government Furnished Equipment (GFE), which is labor intensive to administer properly
- ❖ Simplifies market research via existing GSA eTools
- ❖ Encourages competition among contractors to seek the best solution, resulting in cost savings to the government
- ❖ Enables use of supply funds by contractors, which is the preferred payment method for some agencies

## Definitions

- ❖ Federal Government: The eligible user of the FAR Part 51 deviation.
- ❖ Buying Contractor: The contractor who receives the primary contract/order from the federal government and subsequently acts as the federal government's agent when placing an order to the selling Schedule contractor or GSA Global Supply™. The buying contractor can be any GSA contractor (Schedule contractors, GSA Global Supply™ vendors, PBS contractors, etc.).
- ❖ Selling Contractor: The contractor who receives the secondary order placed under the FAR Part 51 deviation authority from the buying contractor. The selling contractor must be a Schedule contractor or GSA Global Supply™.
- ❖ Authorization: Written approval from the federal government for a contractor to use a government supply source.

## Criteria for Use

When utilizing the authority granted under the FAR Part 51 deviation, all of the following criteria must be met.

### **Primary Awards/Orders Are Issued on a Time and Materials (T&M)/Labor Hour (LH) Basis**

Items on the contract/order issued to the buying contractor from the federal government must be T&M/LH. The overall contract/order can be fixed-price, but the items to be purchased under the FAR Part 51 authority must be structured on a T&M/LH basis.

Commonly, this is accomplished by including an optional line item in the Request for Quote (RFQ)/proposal and a corresponding line item on the subsequent contract/order.

When GSA contractors place orders with MAS and GSA Global Supply™ under the FAR Part 51 deviation authority, the buying contractor who is purchasing the items is not permitted to add a fee or markup to the items. Items must be invoiced at the price for which they were procured from the selling contractor.

### **Supplies and/or Services are Ancillary to the Primary Purpose of the Contract/Order**

Supplies and/or services procured under the FAR Part 51 deviation authority must be ancillary in nature. The supplies and services shall not be the primary purpose of the work ordered, but an integral part of the total solution that is offered. Please note that there are different and additional requirements associated with Special Item Numbers (SINs) on numerous Schedules that contain Ancillary Repair and Alternations (R&A).

### **For Orders Placed against Schedule Contracts, Orders are Limited to FAR 8.405-1, Ordering Procedures for Supplies, and Services Not Requiring a Statement of Work**

Buying contractors must follow the procedures outlined in FAR 8.405-1 when purchasing items from a Schedule contract. The procedures are used when ordering supplies and services that are listed in the Schedule contract at a fixed price for the performance of a specific task, where a statement of work is not required (e.g., installation, maintenance, and repair).

### **Use of Deviation is Not Available to State and Local Governments**

The authority does not extend to state and local ordering activities and is intended for use only by federal government Contracting Officers.

## Responsibilities

### **Federal Government**

**The federal government must:**

- ❖ Use the FAR Part 51 deviation appropriately and in accordance with applicable FAR Parts, including FAR Part 51 and the guidance contained in this ordering guide.
- ❖ Include Clause 52.251-1, Government Supply Sources, in RFQs/solicitations. The RFQ/solicitation should also specifically state that items offered that may be procured using the FAR Part 51 deviation authority must be proposed on a T&M/LH basis. However, the federal government should not mandate that the quote/proposal include such items.

- ❖ Issue a written authorization to the buying contractor in accordance with FAR 51.102. An authorization template that contains additional information specific to the FAR Part 51 deviation is provided in Section 6.0.
- ❖ Ensure that the buying contractor is in compliance with the written authorization. If utilizing the GSA Schedules program, ensure that the buying contractor has followed the ordering procedures in FAR 8.405-1 to promote competition. Compliance with FAR 8.405-1 can be verified by requesting evidence from the buying contractor that competition has been conducted, e.g. RFQ, quotes received, etc.
- ❖ Include the supplies and services ordered by the buying contractor in the dollar amount reported to Federal Procurement Data System (FPDS-NG) in accordance with FAR 4.606. Orders from the GSA Global Supply™ program do not need to be reported in FPDS-NG because they are automatically reported by GSA systems.
- ❖ If the buying contractor is using the Global Supply Program, ensure that the sponsoring agency's authorized Point of Contact (POC) requests assignment of an Activity Address Code (AAC) or Department of Defense Activity Address Code (DoDAAC) from GSA or DoD.

### **Buying Contractor**

#### **Contractors Placing Orders Must:**

- ❖ Identify and separate those ancillary items that are proposed to be purchased under the FAR Part 51 deviation authority on the quote/proposal submitted to the federal government and on the subsequent invoice.
- ❖ When purchasing from a Schedule contract, purchase items at the Schedule contract price (or lower) with no fee/surcharge/markup. If items are provided by the selling contractor at lower than the contract price, the buying contractor must pass on the savings by invoicing the federal government accordingly.
- ❖ Ensure that the items procured under FAR 51 deviation authority are ancillary to the overall order/contract.
- ❖ Provide a copy of the written authorization from the federal government with each applicable order to the selling contractor. When purchasing from GSA Global Supply™, the written authorization only needs to be submitted with the request for assignment of the AAC or DoDACC and not with each order.
- ❖ If the buying contractor is a Schedule contractor, ensure that the buying contractor's Schedule contract number is on each order issued to the selling contractor.
- ❖ Remit full payment to the selling contractor.
- ❖ Submit documentation of the transmittal of full payment to the selling contractor when invoicing the federal government.
- ❖ Follow any applicable Schedule (FAR 8.405-1) or GSA Global Supply™ program ordering procedures. For more information on placing orders with GSA Global Supply™, please visit [www.gsaglobalsupply.gsa.gov](http://www.gsaglobalsupply.gsa.gov).

## **Selling Contractor**

### **Contractors Accepting Orders Must:**

- ❖ Have the ability to accept or reject orders from the buying contractor
- ❖ Ensure that a copy of the written authorization from the federal government is included in the order issued by the buying contractor
- ❖ If the buying contractor is a Schedule contractor, ensure that the buying contractor's contract number is shown on each order
- ❖ For Schedule orders, sell to the buying contractor at the MAS contract price or lower pursuant to FAR 8.4
- ❖ For Schedule orders, understand that a purchase made under the authority of FAR Part 51 deviation does not trigger a price reduction under GSAR clause 552.238-75, Price Reductions
- ❖ Include on each invoice the language, "in care of '[name of government agency]'" under written authorization from \_\_\_\_\_ dated \_\_\_\_\_"
- ❖ Assume the financial risk and other risks of selling directly to another contractor. Any dispute involving the distribution of payment between the buying and selling contractor will be resolved without any involvement by the federal government. Since each contractor has a Schedule or GSA Global Supply™ contract, each contractor is held accountable under the terms and conditions of its contract for any problems, such as warranty or performance issues.
- ❖ For Schedule orders, track and report sales as Schedules contract sales, and remit the Industrial Funding Fee (IFF) accordingly

## **GSA Global Supply™**

### **GSA Global Supply™ will:**

- ❖ Accept all orders from buying contractors, provided the contractor has been assigned an AAC or DoDACC. The buying contractor will provide evidence of proper authorization to GSA or DOD at time of request for AAC/DoDAAC.
- ❖ Charge the standard price
- ❖ Follow normal requisition processes using assigned AAC or DoDAAC

Refer to [www.gsa.gov/far51deviation](http://www.gsa.gov/far51deviation) for additional information.

# Section 6: Inspection/Acceptance and Terminations

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## Inspection and Acceptance

### ❖ Services

The ordering activity has a right to inspect all services in accordance with the contract requirements and as called for by the order.

The ordering activity must perform inspections and tests as specified in the order's Quality Assurance Surveillance Plan (QASP) or the Inspection of Services clause.

### ❖ Supplies

The ordering activity (or designated representative) must inspect supplies at destination except when there is mandatory source inspection required by the Schedule contracting agency or the Schedule item is covered by a supply description, and the ordering activity determines that the Schedule contracting agency's inspection assistance is needed. For additional information, refer to FAR 8.406-2 (a) at [www.acquisition.gov/far/index.html](http://www.acquisition.gov/far/index.html).

## Termination for Cause

### Nonconformance of Supplies/Services (Refer to FAR 8.406-3)

If a contractor delivers a supply or service, but it does not conform to the order requirements, the ordering activity shall take appropriate action in accordance with the inspection and acceptance clause of the contract, as supplemented by the order.

If the contractor fails to perform an order, or take appropriate corrective action, the ordering activity may terminate the order for cause or modify the order to establish a new delivery date (after obtaining consideration, as appropriate). Ordering activities shall follow the procedures in FAR 8.406-4 when terminating an order for cause.

The Contracting Officer must send a cure notice prior to terminating an order for a reason other than late delivery. A cure notice is not needed when the reason for termination is late delivery.

If the time remaining in the order delivery schedule is not sufficient to permit a realistic cure period of 10 days or more, the cure notice should not be issued and the performance period should be allowed to expire. The cure notice should:

- ❖ Specify the failure(s) endangering performance of the order
- ❖ Allow a period of at least 10 days for the contractor to cure the failure(s)
- ❖ Notify the contractor that unless the situation is cured, the ordering activity may terminate the order and
- ❖ Identify the GSA Schedule clause authorizing order termination for cause

Once the contractor receives the cure notice, he/she has the opportunity to remedy the problem.

An ordering activity Contracting Officer may terminate individual orders for cause. The ordering activity shall notify the Schedule Contracting Officer of all instances of termination for cause of individual orders or if fraud is suspected. If the contractor asserts that the failure was excusable, the ordering activity Contracting Officer shall follow the procedures in FAR 8.406-6, as appropriate.

The ordering activity Contracting Officer must report any terminations for cause to FAPIIS. See FAR 8.406-4(e) and 42.1503(f).



### **NUTS AND BOLTS TIP**

Only the Schedule Contracting Officer may modify the Schedule contract to terminate any or all supplies or services covered by the Schedule contract for cause (refer to FAR 8.406-4(d)).

### **Government's Best Interest**

The Contracting Officer should exercise the ordering activity's right to terminate an order for cause only when such a termination would be in the best interests of the government. The ordering activity Contracting Officer should consult with legal counsel prior to terminating for cause.

When a termination for cause is appropriate, the ordering activity Contracting Officer must send the contractor a written notification regarding the termination. The ordering activity sends a Notice of Termination for Cause to the Schedule contractor. The Schedule contractor must immediately stop work.

If the Schedule contractor asserts that the failure that led to the Schedule order termination for cause was excusable, the ordering activity Contracting Officer must follow the appropriate procedures for dispute resolution.

If a repurchase order is placed, the ordering activity sends copies of the order to both new and terminated contractors and, if appropriate, collects excess repurchase costs from the terminated Schedule contractor.

### **Termination for Cause Notification to GSA**

The ordering activity must notify the GSA Schedule Contracting Officer in all instances where an ordering activity Contracting Officer has terminated a GSA Schedule order for cause or suspected fraud. The GSA Contracting Officer information is located at [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov). A search can be conducted for the contractor by name or contract number and a link can be followed to the contractor information page.

#### **FAR 8.406-4, Termination for Cause**

Termination for cause shall comply with FAR 12.403 and may include charging the Schedule contractor with excess costs resulting from repurchase.

If the contractor is charged excess costs, the following apply:

- ❖ Any repurchase shall be made at as low a price as reasonable, considering the quality required by the government, delivery requirement and administrative expenses. Copies of all repurchase orders, except the copy furnished to the contractor or any other commercial concern shall include the notation: Repurchase against the account of [insert contractor's name] under Order [insert number] under Contract [insert number].
- ❖ When excess costs are anticipated, the ordering activity may withhold funds due the contractor as offset security. Ordering activities shall minimize excess costs to be charged against the contractor and collect or set-off any excess costs owed.
- ❖ If an ordering activity is unable to collect excess repurchase costs, it shall notify the Schedule Contracting Officer after final payment to the contractor.

The notice shall include the following information about the terminated order:

- ❖ Name and address of the contractor
- ❖ Schedule, contract and order number
- ❖ National stock number, if applicable, or special item number and a brief description of the item(s)
- ❖ Cost of Schedule items involved
- ❖ Excess costs to be collected
- ❖ Other pertinent data

The notice shall also include the following information about the purchase contract:

- ❖ Name and address of the contractor
- ❖ Item repurchase cost
- ❖ Repurchase order number and date of payment
- ❖ Contract number, if any
- ❖ Other pertinent data

Only the Schedule Contracting Officer may modify the contract to terminate for cause any or all supplies or services covered by the Schedule contract. If the Schedule Contracting Officer has terminated any supplies or services covered by the Schedule contract, no further orders may be placed for those items. Orders placed prior to termination for cause shall be fulfilled by the contractor, unless terminated for the convenience of the government by the ordering activity Contracting Officer.



## Termination for the Government's Convenience

FAR 8.406-5 permits the ordering activity Contracting Officer to terminate individual orders for the convenience of the government when it is in the government's best interest. Terminations for convenience must comply with FAR 12.403.

Before terminating orders for the government's convenience, the ordering activity Contracting Officer shall endeavor to enter into a "no-cost" settlement agreement with the contractor. Only the Schedule Contracting Officer has the authority to modify the Schedule contract to terminate any or all supplies or services covered by the Schedule contract for the government's convenience. Ordering agencies have authority to terminate individual orders. In disputes (refer to FAR 8.406-6) pertaining to the performance of orders under a Schedule contract, the ordering activity Contracting Officer may:

- ❖ Issue final decisions on disputes arising from performance of the order
- ❖ Refer the dispute to the Schedule Contracting Officer



### NUTS AND BOLTS TIP

**FAR 52.212-4(I), Contract Terms and Conditions – Commercial Items, Termination for the Government's Convenience.** In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work.

The ordering activity Contracting Officer shall notify the Schedule Contracting Officer promptly of any final decision. If the dispute pertains to the terms and conditions of the Schedules contract, the ordering activity Contracting Officer shall refer the dispute to the Schedule Contracting Officer for resolution under the Disputes clause of the contract and notify the Schedule contractor of the referral.

- ❖ *Appeals:* Contractors may appeal final decisions to either the Board of Contract Appeals servicing the agency that issued the final decision or the U.S. Court of Federal Claims
- ❖ *Alternative dispute resolution:* The Contracting Officer should use the alternative dispute resolution (ADR) procedures, to the maximum extent practicable (refer to 33.204 and 33.214)

# Section 7: Request for Quotation (RFQ) and Statement of Work (SOW)

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In recent years, GSA has sought to facilitate broad access to service contractors. To assist its customers, GSA developed ordering procedures for services requiring an SOW located in FAR 8.405-2 at [www.acquisition.gov/far/index.html](http://www.acquisition.gov/far/index.html).

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**Note:** *Generally, ordering activities use these procedures when ordering services priced at hourly rates as established by Schedule contracts. The applicable services will be identified in the GSA Schedules and the contractor's price list.*

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An SOW, or if performance-based, a Performance Work Statement (PWS) or Statement of Objectives (SOO), is necessary when acquiring a service that does not rely on the Schedule contractor's commercial description to define the requirements (e.g., program management services). Using this example, the SOW would describe the requirements for a management process improvement program that must be met — the tasks, deliverables and specific delivery dates.

To the maximum extent practicable, agency requirements shall be performance-based (refer to FAR 37.6, *Performance-Based Acquisition*).

## Understanding an SOW

An SOW is essential when purchasing commercial services. Be aware that SOWs are read and interpreted by government and industry personnel with diverse backgrounds such as engineering, science, accounting, law, contracting and other business fields. The SOW must be clear, precise, complete and concise. It should contain the following elements per FAR 8.405-2:

- ❖ Work to be performed
- ❖ Location of work
- ❖ Period of performance
- ❖ Deliverable Schedule
- ❖ Inspection and acceptance requirements
- ❖ Any special requirements such as security clearances, travel or special knowledge

## Background

- ❖ Describe the project in general terms
- ❖ Discuss the purpose of the project — in other words, why the project is being pursued and how it relates to other projects
- ❖ Include, as necessary, a summary of statutory authority or applicable regulations
- ❖ Provide copies of pertinent background materials, and includes them in a reference or attachment



### NUTS AND BOLTS TIP

There are some general preparation guidelines to consider when preparing an SOW:

- ❖ Preparation responsibility. Normally, the person responsible for preparing the purchase request may also be responsible for preparing the SOW. If so, the person may seek advice and assistance from others involved in the procurement process.
- ❖ The person responsible for issuing the delivery/task order must ensure that the SOW is adequate for the procurement. If the functions are not completed by the same person, it is important for the preparer of the purchase request and the preparer of the SOW to work together to ensure that the services required are clearly described.

### Objectives

- ❖ Provide a concise overview of the project and how the results or end products will be used; include goals

### Scope

- ❖ Cover the general scope of the work the Schedule contractor will perform and what the government expects to be accomplished

### Tasks or Requirements

- ❖ Describe detailed work and management requirements



### NUTS AND BOLTS TIP

Remember to define requirements within the scope of commercial items or services.

All services ordered must be within the scope of the GSA Schedule contract.

### Deliverables or Delivery Schedule

- ❖ Describe what the Schedule contractor shall provide
- ❖ Identify the Schedule contractor's responsibilities
- ❖ Specify any specialized expertise, services, training and documentation, as applicable
- ❖ Clearly state the deliverables required, schedule for delivery, quantities and to whom they will be delivered
- ❖ Describe the delivery schedule in terms of calendar days from the date of award
- ❖ Identify the type of documentation (printed and/or electronic) to be provided, as well as the quality indicators desired by the government

## Government Property and Information

Government property and information requirements should be addressed in the requirements documentation and administered through the Schedule order.

*“Government property”* means all property owned or leased by the government. Government property includes both government-furnished property and contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.

*“Government-furnished property”* means property in the possession of, or directly acquired by, the government and subsequently furnished to the contractor for performance of a contract. Government-furnished property includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. Government-furnished property also includes contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the government for continued use under the contract.

*“Government-furnished information”* includes, but is not limited to, manuals, drawings, and test data, to be provided to prospective offerors and contractors that require additional controls to monitor access and distribution (e.g., technical specifications, maps, building designs, schedules, etc.), as determined by the agency.

Refer to FAR 45.101 for more information.

## Security Provisions

- ❖ State any security requirements, as necessary, for the work to be performed

## Place of Performance

- ❖ Specify whether the work is to be performed at a government site or the contractor's site

## Period of Performance

- ❖ Specify the period of performance: e.g., hours, days, weeks or months

## Understanding the PWS and the SOO

Two types of requirements documents express the agency's needs when an order will be performance-based: either a Performance Work Statement (PWS) or a Statement of Objectives (SOO). The choice depends upon how flexible the ordering agency is on how the requirements are expressed to the vendors. The PWS imposes more restrictions on solutions that can be offered, while the SOO is a very high-level statement of needs that leaves room for a good deal of innovation. Both approaches require some of the same information as the SOW, in terms of security issues, GFI or GFE, deliverables and due dates, etc. The SOW tells the vendors what to do and how to do it. The awardee must *comply*. In PBAs, we look for results and *measure* performance to ensure the results are in fact accomplished.



## NUTS AND BOLTS TIP

Regardless of the type of requirements document chosen, the following points hold true:

- ❖ The procurement should support and be linked to the agency's mission
- ❖ Focus on the outcomes or results, not the “how-tos”
- ❖ Decide what constitutes success
- ❖ Establish a baseline to measure current and future performance

## Performance-Based Acquisitions (PBA)

Performance-based contracting (refer to FAR Subpart 37.6) methods are intended to ensure that required performance quality or service levels are achieved and that total payment is related to the degree that services performed or outcomes achieved meet contract standards.

PBAs requiring an SOW (per FAR 8.405-2) will have either a PWS or SOO describing agency requirements for potential quoters.

To the maximum extent practicable, agency requirements shall be performance-based (refer to FAR Subpart 37.6). Visit [www.acquisition.gov/comp/seven\\_steps/home.html](http://www.acquisition.gov/comp/seven_steps/home.html) to review “Seven Steps to Performance-Based Acquisition.” This is the official governmentwide guide for PBAs.

## PWS

The suggested format for a PWS is similar in content to an SOW, but contains no “how-tos.” The “how” is left up to the quoter. A PWS outline is shown below.

- ❖ Provide background
- ❖ Describe the purpose of the contract
- ❖ Describe the government objective(s); e.g. goals, needs, etc., and put it into context (“How does it relate to mission and enterprise?”)
- ❖ Check for regulatory budget guidance
- ❖ List all government-furnished property, equipment and/or information
- ❖ Describe security requirements (both information and personnel)
- ❖ List/attach applicable documents (policies, procedures, templates, etc.)
- ❖ List constraints; e.g., must fit with existing interfaces, must utilize existing space, must be compatible with computer protocols, or existing equipment must be used

## SOO

The SOO approach is the least restrictive of all the requirements documents. Needs are expressed in terms of outcomes or results, and quoters may propose the solution they think will offer the best value and least risk. There is no mandatory format for the SOO, but FAR 37.602(c) suggests the following:

- ❖ Purpose
- ❖ Scope or mission
- ❖ Period and place of performance
- ❖ Background
- ❖ Performance objectives, i.e., required results
- ❖ Any operating constraints

## RFQ

As required by FAR 8.405-2, in specified circumstances, ordering activities **must** provide an RFQ, together with identification of the evaluation criteria or the basis upon which the selection will be made, to prospective Schedule contractors that offer supplies or services that will meet the agency's needs. "Providing" an RFQ to Schedule contractors includes posting the RFQ on eBuy and is required under the following circumstances:

- ❖ A services requirement for which an SOW is needed that exceeds the micro-purchase threshold, or
- ❖ Any requirement for supplies or for services, whether or not an SOW is required, that exceeds the simplified acquisition threshold.

In circumstances other than the following, (i.e., for all requirements below the micro-purchase threshold and for supplies or services where an SOW is not required), ordering activities may place an order directly with a selected Schedule contractor after consideration of the appropriate number of Schedule contractors' published prices or may provide a RFQ to Schedule contractors. An RFQ should ensure the following information is included:

- ❖ RFQ identification number
- ❖ Issuing organization and point-of-contact
- ❖ RFQ closing date and time
- ❖ Notification that only Schedule contractors will be considered
- ❖ If applicable, the intention to award a single- or multiple-award BPA
- ❖ Instructions to quoters as necessary (e.g., page limits)
- ❖ Other pertinent information — such as agency-specific provisions and clauses that do not conflict with Schedule contract clauses
- ❖ Other information may be included in the SOW part of the RFQ

## Evaluation/Selection Criteria

This section of the RFQ identifies the selection criteria; e.g., technical excellence, management capability, prior experience, personnel qualifications, delivery or performance schedule compliance and/or past performance refer to “Best Value.”

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**Note:** *Ordering activities must treat all Schedule contractors fairly and inform them of the requirements of the potential order. The ordering activity must evaluate competitive quotes solely on the factors specified in the RFQ evaluation criteria.*

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When an ordering activity issues an RFQ, the request should include the SOW and it shall ask Schedule contractors to submit a price quote to provide the services as outlined in the SOW. The price shall be based on the prices in the Schedule contracts and shall consider the mix of labor categories and level of effort required to perform the services described in the SOW. A Firm Fixed Price (FFP) order shall be requested, unless the ordering activity makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a Labor Hour (LH) or Time and Materials (T&M) quotation may be requested. The FFP of the order should also include any travel costs or Other Direct Costs (ODCs) related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for LH and T&M orders, along with a not-to-exceed line item for ODCs.



### NUTS AND BOLTS TIP

A determination of reasonable pricing for services offered should be based on the following three variables:

- ❖ Hourly rates
- ❖ Labor categories proposed to fulfill the task
- ❖ Number of hours proposed for each category

The ordering agency must analyze the mix of categories, hours and rates to determine if the total price for the task is reasonable.

Remember: GSA has already determined that the hourly labor rates are fair and reasonable.



### NUTS AND BOLTS TIP

Remember to require in the RFQ that the quoted prices conform to the Schedule contract prices (equal to or lower than) and to seek additional price reductions where appropriate.

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**Note:** *Items/services not on the Schedule contract may be considered “open market.”*

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## Open Market Items

In accordance with FAR 8.402(f), for administrative convenience, an ordering activity Contracting Officer may add items not on the GSA Schedule contract — e.g., open market items — to a GSA Schedule BPA or an individual task or delivery order only if:

- ❖ All applicable acquisition regulations pertaining to the purchase of the items not on the Schedule contract have been followed (e.g., publicizing (FAR Part 5), competition requirements (FAR Part 6), acquisition of commercial items (FAR Part 12), contracting methods (FAR Parts 13, 14, and 15), and small business programs (FAR Part 19))
- ❖ The ordering activity Contracting Officer has determined the prices for the items not on the Schedule contract are fair and reasonable
- ❖ The items are clearly labeled on the order as items not on the Schedule contract
- ❖ All clauses applicable to items not on the Schedule contract are included in the order
- ❖ The ordering Contracting Officer has determined that the items are within the scope of the Schedule contract

It is important to recognize that GSA has only negotiated prices or determined prices to be fair and reasonable for those supplies and services that are awarded to Schedule contracts. **Therefore, the ordering activity must comply with the requirements for full and open competition, by following all applicable acquisition regulations and determining price reasonableness for open market items.**



### NUTS AND BOLTS TIP

The terms and conditions of the Schedule contract do not apply to open market items and all contract clauses applicable to such items must be included in the order.



### NUTS AND BOLTS TIP

Orders with cost-type pricing arrangements as described per FAR Subpart 16.3 are NOT allowed under Schedules!

## Use of Oral Presentations

**Note:** *Oral presentations are not typically used under a GSA Schedules procurement environment, but may be used at the discretion of the ordering activity Contracting Officer. It is important that the ordering activity Contracting Officer use proper procedures and not mix FAR Part 15 ordering procedures with FAR Subpart 8.4 procedures for placing orders against GSA Schedules. However, the ordering activity Contracting Officer may consult FAR 15.102 for processes and techniques for the use of oral presentations and tailor them to fit the requirements in FAR Subpart 8.4. These procedures are outlined on the following page.*



Ordering agencies may utilize oral presentations at their discretion. The purpose of oral presentations is to give the requirements personnel an opportunity to discuss and totally understand the solution the quoter will deliver if selected. Oral presentations also allow for greater face-to-face interaction and are especially important in those procurements where the quoter's key personnel are critical to the success of the procurement.

Oral presentations by quoters, as requested by the government, supplement written information submitted. Oral presentations occur after quotations have been screened and reviewed, and are subject to the same restrictions as written information. Oral presentations provide an excellent opportunity for dialogue between the government and the prospective contractors.

Pre-recorded videotaped presentations that lack real-time interactive dialogue are not considered oral presentations for the purposes of this section, although they may be included in quoter submissions, when appropriate.

The SOW may require each quoter to submit part of its quote through oral presentations. However, a signed quote sheet (including any exceptions to the government's terms and conditions) shall be submitted in writing.

Information pertaining to areas such as a quoter's capability, past performance, work plans or approaches, staffing resources, transition plans or sample tasks (or other types of tests) may be suitable for oral presentations. In deciding what information to obtain through an oral presentation, consider the following:

- ❖ The government's ability to adequately evaluate the information
- ❖ The need to incorporate any information into the resultant contract
- ❖ The impact on the efficiency of the procurement
- ❖ The impact (including cost) on small businesses. In considering the costs of oral presentations, Contracting Officers should also consider alternatives to on-site oral presentations (such as teleconferencing, video teleconferencing)

When oral presentations are required, the SOW, PWS, or SOO shall provide quoters with sufficient information to prepare them. Accordingly, the SOW, PWS or SOO may describe:

- ❖ The types of information to be presented orally and the associated evaluation factors that will be used
- ❖ The qualifications for personnel that will be required to provide the oral presentation(s)
- ❖ The requirements for, and any limitations and/or prohibitions on, the use of written material or other media to supplement the oral presentations
- ❖ The location, date, and time for the oral presentations
- ❖ The restrictions governing the time permitted for each oral presentation
- ❖ If space is limited, the government may limit the number of vendor attendees

Limited communications with Schedule contractors to seek additional or clarifying information is allowed and is not considered formal "exchanges."

The Contracting Officer shall maintain a record of oral presentations to document what the government relied upon in making the source selection decision. The method and level of detail of the record (such as: videotaping, audio tape recording, written record, government notes and copies of briefing slides or presentation notes) shall be at the discretion of the source selection authority. A copy of the record placed in the file may be provided to the quoter.

When an oral presentation includes information that the parties intend to include in the contract as material terms or conditions, the information shall be put in writing. Incorporation by reference of oral statements is not permitted.

## **Additional Resources**

Refer to the following websites for more information:

### **Guidelines for the Use of Oral Presentations**

<http://www.dscp.dla.mil/contract/oral/oral.htm>

### **Defense Acquisition Guidebook**

<https://dag.dau.mil/Pages/Default.aspx>

# Section 8: Schedule Blanket Purchase Agreements (BPAs)

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A Schedule BPA is established by an ordering activity with a Schedule contract to fill repetitive needs for supplies or services (refer to FAR 8.405-3). BPAs leverage an ordering activity's buying power in taking advantage of quantity discounts, saving administrative time and reducing paperwork. BPAs may be established with one or more Schedule contractors. However, consistent with FAR 8.405-3, ordering activities must give preference to establishing multiple-award BPAs rather than awarding a single BPA.

BPAs are considered to be issued using full and open competition when using the procedures in FAR Subpart 8.4 (refer to FAR 6.102(d)(3)) at [www.acquisition.gov/far/index.html](http://www.acquisition.gov/far/index.html)). Ordering activities shall not seek competition outside of the Schedules or synopses the requirement.

BPAs are an excellent method for an ordering activity to fulfill recurring requirements, including establishing a BPA rather than an agency IDIQ contract. BPAs can be used for simple recurring requirements or complex services requirements, such as buying systems engineering support. Schedule BPAs have been used for complex service requirements exceeding \$1 billion annually.

## MAS Blanket Purchase Agreement (BPA) Basics

A **Blanket Purchase Agreement (BPA)** is a vehicle or acquisition strategy that an ordering activity can use to simplify the acquisition of recurring needs for Schedule services or supplies. The benefits of using BPAs include leveraging buying power, saving administrative time, and reducing paperwork. Ordering activities that have a continuing need for identical or similar items available on a GSA Schedule can establish a Schedule BPA. BPAs simplify the ordering process and should be used for negotiating better pricing for large, recurring requirements. BPAs specify the frequency of orders, invoices, discounts, requirements (e.g., estimated quantities, work to be performed), delivery locations, time, and procedures for placing orders under the BPA.

Both “traditional” BPAs and MAS (or “Schedule”) BPAs can be used to fill anticipated repetitive needs for supplies and services. While traditional BPAs are subject to the requirements of FAR Part 13, *Simplified Acquisition Procedures*, FAR Part 13 does not apply to GSA Schedule BPAs.

IAW FAR 6.102(d)(3), use of the MAS BPA is considered a “competitive procedure” under the Competition in Contracting Act (CICA) when the GSA Schedule ordering procedures are followed. FAR 8.405-3 clarifies the conditions under which BPAs may be established with one or more Schedule contractors. The number of BPAs to be established is under the discretion of the ordering activity establishing the BPAs and should utilize a strategy that is expected to maximize the effectiveness of the BPA(s).

GSA has established that the prices contained within the contractor's Schedule price list are fair and reasonable. However, the ordering activity is responsible for considering the level of effort and mix of labor proposed to perform the required work and for making a determination that the price specific to the task order is fair and reasonable.

There is no monetary limitation on a BPA unless an ordering office implements a limitation. The FAR requires the government to provide a good faith estimate. The same ordering procedures outlined in FAR 8.405 apply to the establishment of a GSA Schedule BPA (see FAR 8.405-3(a)(2)). Based on the potential volume of all orders under the BPA, ordering activities may be able to obtain greater discounts, regardless of the size of individual orders.

Ordering activities can order against the BPA for the duration of the BPA's corresponding Schedule contract, which is typically not more than five years. A Schedule contractor may be awarded a BPA that extends beyond the current term of its GSA Schedule contract as long as there are option periods in the GSA Schedule contract that, if exercised, will cover the BPA's period of performance. All terms and conditions of the Schedule contract apply to the BPA.

Agencies may join together to create a multi-agency MAS BPA if the multi-agency BPA identifies the participating agencies and their estimated requirements at the time the BPA is established.

Each year, the ordering activity must document the review of the GSA Schedule BPA to determine:

- ❖ The underlying Schedule contract is still in effect.
- ❖ The BPA continues to represent the best value.
- ❖ Estimated quantities/amounts have been exceeded and additional price reductions can be obtained.

The same acquisition procedures that DOD requires for Schedule orders apply to Schedule BPAs purchased either by or on behalf of DOD organizations.

## **Benefits of a Schedule BPA**

Contractual terms and conditions are contained in Schedule contracts and are not to be renegotiated when establishing GSA Schedule BPAs. As a purchasing option, Schedule BPAs eliminate such contracting and open market costs as the search for sources, the need to prepare solicitations, and the requirement to synopsize the acquisition.

BPAs also:

- ❖ Provide an opportunity to negotiate improved discounts
- ❖ Satisfy recurring requirements
- ❖ Reduce administrative efforts by eliminating repetitive, individual orders and payments
- ❖ Let customers obtain better value by leveraging buying power through volume purchasing

- ❖ Enable an ordering activity to use streamlined ordering procedures
- ❖ Permit an ordering activity to incorporate Contractor Team Arrangements (CTAs)
- ❖ Allow for quicker turnarounds on orders
- ❖ Permit an ordering office to incorporate terms and conditions not in conflict with the underlying contract
- ❖ Aid agencies in requiring contractors to report the green products supplied, helping agencies to track and report their green product purchases
- ❖ Provide “on/off ramps” for contractors when using multiple-award BPAs

A Schedule BPA can be set up for an agency's field offices across the nation, thus allowing them to participate in the Schedule BPA and place orders directly with Schedule contractors. In doing so, the entire agency reaps the benefits of additional discounts negotiated into the Schedule BPA.

A multi-agency Schedule BPA is also permitted if the Schedule BPA identifies the participating agencies and their estimated requirements at the time the Schedule BPA is established.

### **Setting up a GSA Schedule BPA**

Schedule BPAs under the GSA Schedules program are established using ordering procedures outlined in FAR 8.405-3. An ordering activity shall request a price reduction when establishing a Schedule BPA, regardless of the size of individual orders.

Ordering activities may consider socioeconomic status when identifying contractors for consideration or competition for award of an order or Schedule BPA. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, or small disadvantaged business Schedule contractor (refer to FAR 8.405-5). *GSA Advantage!*® and GSA eLibrary contain information on small business representations of Schedule contractors.

Schedule BPAs shall address the frequency of ordering, invoicing, discounts, requirements (e.g., estimated quantities, work to be performed), delivery locations, and time. When establishing multiple Schedule BPAs, the ordering activity shall also specify **the procedures for placing orders under the Schedule BPAs.**

## Multiple- vs. Single-Award BPAs and Documentation Requirements

To encourage and facilitate competition when placing orders under BPAs, the FAR establishes a preference for multiple-award BPAs rather than single-award BPAs. The number of BPAs to be established is within the discretion of the ordering activity establishing the BPAs and should be based on a strategy that is expected to maximize the effectiveness of the BPA(s). The ordering activity must consider several factors, including the benefits of on-going competition, when deciding how many BPAs are appropriate and document the decision in the acquisition plan or BPA file. In determining how many multiple-award BPAs to establish or that a single-award BPA is appropriate, the Contracting Officer should consider the following factors and document the decision in the acquisition plan and BPA file:

- ❖ The scope and complexity of the requirement(s)
- ❖ The benefits of on-going competition and the need to periodically compare multiple technical approaches or prices
- ❖ The administrative costs of multiple BPAs
- ❖ The technical qualifications of the Schedule contractor(s)

No **single-award** BPA with an estimated value exceeding \$103 million (including any options), may be awarded unless the head of the agency determines in writing that:

- ❖ The orders expected under the BPA are so integrally related that only a single source can reasonably perform the work
- ❖ The BPA provides only for firm, fixed-priced orders for:
  - ❖ Products with unit prices
  - ❖ Services with prices established in the BPA for specific tasks to be performed
- ❖ Only one source is qualified and capable of performing the work at a reasonable price to the government
- ❖ It is necessary in the public interest to award the BPA to a single source for exceptional circumstances

If limiting the potential sources that will be considered for award of a single-award BPA, the above requirement for a determination to establish a single-award BPA greater than \$103 million is **in addition to** the requirement of FAR 8.405-6 for a limited-source justification. However, the two documents may be combined into one document, which must then be approved by the agency head.



## NUTS AND BOLTS TIP

- 1) If the BPA is for hourly rate services, the ordering activity shall develop a statement of work for requirements covered by the BPA. All orders under the BPA should specify a price for the performance of the tasks identified in the statement of work.
- 2) Only contractors holding current GSA Schedule contracts may participate in the establishment of a BPA based on GSA Schedules.

## Multiple-Award BPAs

If the ordering activity establishes Multiple BPAs, before placing an order exceeding the micro-purchase threshold, the ordering activity shall provide each BPA holder fair opportunity to be considered for each requirement when the value is less than the simplified acquisition threshold and provide a RFQ to all BPA holders if the value exceeds that amount.

Evaluate all responses received, make a “Best Value” determination (IAW FAR 8.404(d)) and place the order with the Schedule BPA holder that represents the best value.

## Single-Award BPAs

A single-award BPA should rarely be used in conformance with the FAR preference for multiple-award BPAs. When establishing a single-award BPA, the ordering activity should address the following:

- ❖ The frequency of ordering, invoicing, discounts, requirements (or estimated quantities, work to be performed), delivery locations and time
- ❖ Supplies or services to be ordered and type of pricing, such as hourly rate services
- ❖ A Firm Fixed Price (FFP), or Labor Hour or Time and Materials (T&M) pricing arrangement for individual tasks or orders as allowed in the GSA Schedule contract
- ❖ Whether a single BPA contractor can meet all of the estimated requirements
- ❖ Whether the government will obtain the best value from a single Schedule contractor, via the likely quantity discounts, administrative savings and other benefits related to reduced procurement lead-time vs. the ongoing need to price and perform competitively in a multiple-award BPA, task/delivery order-level competition environment
- ❖ Authorized users of the BPA and their collective requirements

For example, you have a recurring requirement for a wide variety of common use electronic components for “in-house” maintenance of the agency’s information technology equipment. Using GSA eLibrary, you find that IT support equipment is listed under Schedule 70, Special Item Number (SIN) 132 8, and that there are numerous IT dealers whose Schedule contract price lists include the wide range of supplies that you require. Several of the dealers are small.

You issue an RFQ for a single award Schedule BPA encompassing the indefinite quantities of items in the generic categories of the types of supplies you require, e.g., microchips, hard drives, flash memories, etc. You establish evaluation factors such as business size, past performance, delivery and price.

### **Duration and Annual Review of Schedule BPAs**

Multiple-award BPAs generally should not exceed five years in length, but may do so to meet program requirements. The ordering activity Contracting Officer shall review each BPA and determine in writing, at least once a year, whether:

- ❖ The Schedule contract, upon which the BPA was established, is still in effect
- ❖ The BPA still represents the best value (see 8.404(d))
- ❖ Estimated quantities/amounts have been exceeded and additional price reductions can be obtained

The determination shall be included in the BPA file documentation.

A single-award BPA shall not exceed one year, although it may include up to four one-year options. Prior to exercising each option under a single-award BPA, a review of the BPA must be completed and the Contracting Officer's determination approved by the ordering activity competition advocate.

Contractors may be awarded Schedule BPAs that extend beyond the current term of their Schedule contract, so long as there are option periods in their Schedule contract that, if exercised, will cover the Schedule BPA's period of performance (refer to FAR 8.405-2 (c)).



#### **NUTS AND BOLTS TIP**

GSA has determined that the prices contained within the contractor's Schedule price list are fair and reasonable. However, the ordering activity is responsible for considering the level of effort and mix of labor proposed to perform a specific task being ordered, and for making a determination that the total price is fair and reasonable.

For example, video production services may be considered less defined in the sense that the ordering activity may know that they will require five videos during the next year but are unsure of the length, format or objective (educational, promotional, informational, etc.) of each video. In this case, the ordering activity may elect to award multiple BPAs so that they may maximize the potential for "Best Value" for each order placed.



## Guide for Establishing Single/Multiple BPAs for Products and Services Requiring an SOW

If –	Then –	You would –
<p>The recurring tasks are substantially similar (Multiple Award) or substantially dissimilar, but subject to quantity price breaks that are less likely to materialize in repetitive order-level competitions over the time frame.</p> <p style="text-align: center;">OR</p> <p>The tasks you are purchasing can clearly be identified, such as mail management (accepting incoming mail and mail distribution) are significantly susceptible to receive maximum quantity. price breaks “up front.”</p>	<p>Follow the procedures in FAR 8.405 including prepare required justification and documentation and obtain necessary approvals.</p>	<p>Make a “Best Value” selection and establish a <b>Single BPA</b>.</p> <hr/> <p><b>Note:</b> <i>You may then place all orders with the BPA holder without further “Best Value” selections. Remember when establishing a BPA to seek a price reduction.</i></p> <hr/>
<p>The tasks you are planning on purchasing cannot be clearly defined, such as program management support for multiple offices.</p> <p style="text-align: center;">OR</p> <p>The tasks you are purchasing are likely to benefit from repetitive price and performance quality competition throughout the BPA duration.</p>	<p>Follow the procedures in FAR 8.405.</p>	<p>Establish <b>Multiple BPAs</b> with technically qualified Schedule contractors.</p> <hr/> <p><b>Note:</b> <i>When issuing an order off of a multiple-award BPA, you must provide each BPA holder fair opportunity to be considered when the order value is less than the simplified acquisition threshold and forward an RFQ to all BPA holders if the requirement exceeds the simplified acquisition threshold.</i></p> <hr/>

<b>If –</b>	<b>Then –</b>	<b>You would –</b>
Your BPA estimate is at or below the simplified acquisition threshold.	Follow the procedures in FAR 8.405-3.	Prepare an SOW/PWS/SOO (with evaluation criteria) and RFQ and transmit to sufficient Schedule contractors to receive at least three quotations or post on eBuy.
Your BPA estimate exceeds the simplified acquisition threshold.	Follow the procedures in FAR 8.405-3.	Post the RFQ (including the SOW/PWS/SOO and evaluation criteria) on eBuy or provide the RFQ as many Schedule contractors as practicable consistent with market research to reasonably ensure that at least three responses will be received.
<b>BPAs for Hourly Rate Services</b>		
The BPA is for hourly rate services.	Follow the procedures in FAR 8.405.	Request a fixed price whenever practicable for performance of the tasks identified in the SOW/PWS/SOO for all orders placed against the BPA. Otherwise establish a ceiling amount.
<b>Duration of BPAs</b>		
Generally, BPAs should not exceed five years in length. Single-award BPAs shall not exceed one year with up to four option years.	Multiple-award BPAs may be extended to meet program requirements, but cannot exceed the Schedule contract period. Single-award BPAs cannot be extended beyond five years through additional options.	Contractors may be awarded BPAs that extend beyond their current Schedule contracts, provided there are option periods in their Schedule contracts that, if exercised, will cover the BPA's period of performance.

## **BPA Documentation**

### **When establishing Blanket Purchase Agreements under the GSA Schedules program, the ordering activity shall document:**

- ❖ The Schedule contracts considered, noting the contractors with which BPAs have been established
- ❖ A description of the requirements (e.g., estimated quantities, work to be performed)
- ❖ The results of negotiations including agreed upon pricing and the estimated value
- ❖ If applicable, the circumstances and rationale for restricting consideration of Schedule contractors to fewer than required in the Schedule ordering procedures. (The FAR 8.405-6 requirement for written justifications applies when establishing limited sources BPAs, since such BPAs restrict the number of contractors to fewer than those prescribed by the Schedule ordering procedures.)
- ❖ Justification for award of single BPA including agency head determination required by FAR 8.405-3(a)(3)(ii) as necessary
- ❖ The evaluation methodology used in selecting the contractor to receive the BPA(s)
- ❖ The rationale for any trade-offs in making the selection
- ❖ The fair and reasonable price determination required by FAR 8.405-2(d) for BPAs with hourly rate services
- ❖ If applicable, the rationale for placing other than Firm Fixed Price or performance-based orders
- ❖ The results of the annual review and approval by Competition Advocate prior to exercise of option under single-award BPA
- ❖ Evidence of compliance with competition requirements in FAR 8.405-3(b)

## **BPA Documentation**

### **When ordering from BPAs, the ordering activity shall document:**

- ❖ The BPA holder from which the supply or service was purchased
- ❖ A description of the supply or service purchased
- ❖ The amount paid
- ❖ That the total price for any orders are reasonable by performing a price determination as required by FAR 8.405-2(d) considering the level of effort and mix of labor
- ❖ If applicable, the rationale for using other than a Firm Fixed Price order or a performance-based order

### **If ordering from multiple-award BPAs, in addition to the above, the ordering activity shall document:**

- ❖ The BPAs considered
- ❖ The evaluation methodology used in selecting the BPA holder to receive the order
- ❖ The rationale for any trade-offs in making the selection

Review of BPAs		
The ordering activity has established a BPA.	The BPA shall be reviewed at least once a year.	<ul style="list-style-type: none"> <li>❖ Review the Schedule contract upon which the BPA is based to determine whether it is still in effect.</li> <li>❖ Determine whether the BPA still represents the best value (refer to FAR 8.404(d)).</li> <li>❖ Determine whether the estimated quantities/ amounts have been exceeded and attempt to obtain additional price reductions.</li> <li>❖ Document the results of the review.</li> <li>❖ Obtain competition advocate approval of review results prior to option exercise for single-award BPA.</li> </ul>



### NUTS AND BOLTS TIP

The RFQ should inform the Schedule contractors if you intend to establish a single or multiple-award BPA. It also must tell them the evaluation criteria you will use for the award and the relative importance of those evaluation factors.

## Setting up a Multi-Agency Schedule BPA

Before a multi-agency BPA is established, multiple ordering activities should identify, define and consolidate their requirements to obtain greater discounts. All users must also be identified as signatories. To ensure “Best Value” is obtained, the BPA must reflect the requirements of all users with an estimate of the quantity.

The ordering activity can set up a Schedule BPA so that the agency's various ordering activities/field offices may place orders against the Schedule BPA directly with the Schedule contractor. In order for these ordering activities/field offices to participate in the Schedule BPA, the Schedule BPA must list the users and corresponding points of contact (refer to FAR 8.405-3(a)(6)).

## Obligation of Funds

A Schedule BPA does not require the obligation of funds. Funds are obligated when orders are placed against the BPA. Since the government is not obligated to make any purchases under the BPA, this can be stated as:

“The government estimates, but does not guarantee, that the volume of purchases using this BPA will be \$\_\_\_\_\_ (estimate). This BPA does not obligate funds. The government is obligated only to the extent of authorized orders actually made against the BPA.”

## Pricing Arrangements

Orders for supplies or services not requiring an SOW must be Firm Fixed Price (FFP). (See FAR 8.405-1(a)). Orders for services requiring an SOW/PWS may use one or a combination of the following pricing arrangements:

- ❖ Firm Fixed Price (FFP)
- ❖ Labor Hour (LH)
- ❖ Time and Materials (T&M)

FFP is the preferred pricing structure and documentation is required as to the rationale for issuing orders as other than Firm Fixed Price. (See FAR 8.405-2(e)(7)).

For BPAs for hourly rate services, the ordering activity must develop an SOW/PWS for the requirements covered by the BPA. All orders under the BPA must specify a fixed price for the performance of the tasks identified in the SOW/PWS.

According to FAR 12.207(b), T&M or LH contracts may be used for the acquisition of commercial services when the service is acquired under a contract awarded using any of the following:

- ❖ Competitive procedures
- ❖ The procedures for other than full and open competition as described in FAR 6.3
- ❖ The fair opportunity procedures described in FAR 16.505 (if using a multiple award delivery-order contract)

In addition, FAR 12.207(b) and FAR 16.601(d) require the Contracting Officer to do all of the following:

- ❖ Execute a determination and finding (D&F) for the contract that states that no other contract type authorized by this subpart is suitable
- ❖ Include a ceiling price in the contract or order that the contractor exceeds at its own risk
- ❖ Authorize any subsequent change in the ceiling price only upon a determination, documented in the contract file, that it is in the best interest of the procuring agency to change the ceiling price

When using LH or T&M pricing:

- ❖ The GSA Schedule order must include a ceiling price.
- ❖ All payments must conform to the requirements of the appropriate payments clause in the GSA Schedule contract (e.g., the clause at FAR 52.232-7, *Payments under T&M and LH Contracts* (Alternate I)).
- ❖ FAR 16.601 requires that T&M and LH labor rates be quoted at a fixed amount, using fully burdened hourly rates.
- ❖ FAR 16.601 requires that T&M material quotes must include the at-cost rate and any related shipping and handling costs. In other words, contractors should not be adding a profit onto materials charges.

## Sample Schedule BPA

A sample BPA format is available to help capture the necessary elements. Download a copy of a sample BPA at [www.gsa.gov/bpa](http://www.gsa.gov/bpa), click on the Blanket Purchase Agreement Format link.



### NUTS AND BOLTS TIP

Additional clauses that are inconsistent with the terms and conditions of the GSA Schedule contract cannot be added to Schedule BPAs. However, special provisions that do not conflict with the terms and conditions of the Schedule contract may be added to an individual GSA Schedule BPA, such as organizational conflict of interest clauses, or key personnel. It is always wise to check with the GSA Contracting Officer to ensure that any additional agency added provisions do not conflict with the Schedule contract. If your BPA requirement increases or changes so significantly that it changes the scope of your existing BPA, you must consider establishing a new BPA.

## Section 9: Contractor Team Arrangements (CTAs)

A Schedule Contractor Team Arrangement (CTA) is an arrangement between two or more Schedule contractors to work together to meet agency requirements. The CTA document is a written agreement between team members detailing the responsibilities of each team member. The CTA allows the contractor to meet the government agency needs by providing a total solution that combines the supplies and/or services from the team members' separate Schedule contracts. It permits contractors to complement each other's capabilities in order to compete for orders for which they may not independently qualify. A customer benefits from a CTA by buying a solution rather than making separate buys from various contractors.

### Benefits of CTAs

- ❖ Satisfies the customer with a single solution
- ❖ Increases competitive edge
- ❖ Increases market share
- ❖ Increases visibility
- ❖ Focuses on core capabilities
- ❖ Obtains complementary capabilities
- ❖ Integrates different skills
- ❖ Offers additional opportunities with customers
- ❖ Builds direct relationships with customers
- ❖ Maximizes use of one or more Schedule solutions
- ❖ Shares risks and rewards
- ❖ Allows more opportunities for small business and small disadvantaged businesses
- ❖ Reduces the number of items Schedule contractors need to carry on their Schedule contracts, thus reducing inventory and tracking costs



### NUTS AND BOLTS TIP

Do not confuse Schedule Contractor Team Arrangements with the definition of contractor teaming arrangements found in FAR 9.6. None of the definitions (the partnership/joint venture, or the prime/sub relationship) outlined in FAR 9.6 apply to Schedule CTAs.

In prime/sub arrangements, the relationship is defined and controlled by the prime contractor, whereas in CTAs, the roles and responsibilities are defined by the team, as accepted by the government ordering activity. A Schedule CTA member may utilize a subcontractor. The following chart summarizes key differences.

<b>Contractor Team Arrangement (CTA)</b>	<b>Prime/Sub Arrangement</b>
Each team member must have a Schedule contract.	Only the prime contractor must have a Schedule contract.
Each team member is responsible for duties addressed in the CTA document. These duties fall within the scope of their individual Schedule contracts.	The prime contractor cannot delegate responsibility for performance to subcontractors. The prime contractor can provide only what is on its Schedule contract, it cannot subcontract to offer items/services for which it does not hold a Schedule contract.
Each team member has privity of contract with the government and can interact directly with the government.	Only the prime contractor has privity of contract with the government and can interact with the government. The prime contractor is responsible for its subcontracting activities (ordering activities are permitted to specify in the RFQ that the use of subcontractors requires prior approval by the ordering activities).
The ordering activity is invoiced at each team member's unit prices or hourly rates as agreed in the task or delivery order or Schedule BPA.	The ordering activity is invoiced in accordance with the prime contractor's Schedule contract.

A contractor holding multiple Schedule contracts may offer a solution that crosses those contracts. Such a solution would not be considered a CTA because there is only one contractor.

To ensure that the responses received from Request for Quotations (RFQ) are, in fact, CTAs, GSA strongly recommends that an ordering activity's RFQ indicate that all CTAs must be specifically identified as such and that the CTA document be submitted to the government as part of the quotation in response to the RFQ. Do not be confused, for example, by a "Team ABC" response; the response should clearly identify that the Schedule contractors are proposing a "Contractor Team Arrangement as evidenced by the CTA document." The CTA document should designate all team members, their corresponding Schedule contract numbers, and describe the tasks to be performed by each team member, along with the associated proposed prices (e.g., unit prices, labor categories and hourly rates). If applicable, the team lead should also be identified, as should the individual team members responsible for delivery, warranty and other issues. The ordering activity should then be able to verify that any proposed unit prices or hourly rates do not exceed the prices awarded under each team member's Schedule contract and avoid any misunderstandings regarding each team member's responsibilities and prices.



Schedule contractors may establish a CTA in advance of any known requirement or after requirements are defined and the RFQ issued. Having an on-the-shelf team arrangement for non-complex buys will allow the contractors to respond quickly and easily when requirements emerge. For highly complex buys, a customized CTA may be required. In either case, the CTA document should include the names of the team members, their respective Schedule contract numbers, and a description of the responsibilities of each team member. Agencies should review CTA documents to ensure that the documents clearly delineate team member responsibilities and provide for coordination and cooperation between team members, thus diminishing the risk for all parties involved.

In providing a total solution to an agency's requirement under a CTA, the supplies and services (for services, the labor categories under each Schedule contract need to be segregated) proposed should be identified under each team member's Schedule contract. Any proposed supplies and services that are not part of a Schedule contract (e.g., open market items) may be included only after all applicable acquisition regulations have been followed (refer to FAR 8.402(f)) and must be clearly labeled as such. GSA does not approve the CTA document. CTA documents are developed by the team members themselves and will vary from one CTA document to another. While not all-inclusive, GSA has developed elements of a Contractor Team Arrangement Document ([www.gsa.gov/cta](http://www.gsa.gov/cta)), which identifies areas that are typically of interest to the government. GSA strongly encourages the submission of the CTA document in response to a RFQ.

The CTA is solely between the team members and cannot conflict with the underlying terms and conditions of each team member's Schedule contract. As part of the ordering agency's review of quotations, however, ordering activities may identify deficiencies in the CTA in order to enhance the probability of successful performance. While the government is not a party to the CTA, it is a beneficiary of the arrangement and has a vested interest in the successful performance of the CTA.

## Invoicing

The CTA document should designate who is responsible for invoicing and payment. While the team lead may submit an invoice on behalf of all team members, GSA recommends that payment be made to each team member. GSA recognizes, however, that there may be instances where it is advantageous to craft the CTA document so that payment is made to the team lead who, in turn, pays each team member. Under such circumstances, the CTA document should clearly indicate that all team members agree to this payment arrangement. The CTA document should also acknowledge that any dispute involving the distribution of payment between the team lead and the team members will be resolved by the team members, without any involvement by the government.

## **Problems/Issues**

Since each team member in a Schedule CTA has a Schedule contract, each team member is held accountable under the terms and conditions of their contract for any problems such as warranty or performance issues. The CTA document should spell out which team member is responsible at each phase of the project. When evaluating team member performance, the ordering activity Contracting Officer should evaluate each team member accordingly. Disputes between CTA members involve them as parties to the CTA. The government is not a party to such disputes.

## **Fees/Charges**

There could be a cost involved for contractors to participate in a Schedule Contractor Team Arrangement. The use of a CTA should not increase the price of the order to the government. The CTA document should spell out any costs associated with the arrangement and how they will be allocated among team members. The benefits of a CTA may more than compensate for a contractor's costs by expanding the firm's capabilities and broadening its customer base.

## **Pricing**

Please keep in mind that each team member is governed by his/her own Schedule contract, and that the CTA price quotation cannot exceed the awarded unit prices or hourly rates under its Schedule contract.

## **Communication**

The Teaming Agreement specifies communication in a CTA. Points of contact should be spelled out in the CTA document for the Team Lead and for each member. In a CTA, the ordering activity communicates directly with the Schedule contractors. The parties may agree that all communication with the ordering activity will be through the Team Lead.

## **Use of Subcontractors**

Schedule team members may still use subcontractors as allowed by their GSA Schedule contracts and as may be addressed in the CTA. Those subcontractors, however, would not be considered members of the "team," and the responsibility for the subcontractors would rest with the applicable team member who employs them.

## **Use of Blanket Purchase Agreements (BPAs)**

CTAs can also be the basis for a Schedule BPA utilizing the underlying Schedule contracts of the CTA members. The Schedule BPA should address the details, arrangements or administration of the CTA. For additional information, visit the FAQ at [www.gsa.gov/cta](http://www.gsa.gov/cta).

## Section 10: eTools

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### **GSA eLibrary**

GSA eLibrary is the official online source for complete GSA and VA Schedules information. It provides a centralized source for researching Schedules that includes basic ordering guidelines, complete Schedules listings and a powerful search engine.

GSA eLibrary is available 24/7 and is updated daily to ensure access to the latest Schedules contract award information.

Search which suppliers have a contract and what's available by using various search options, e.g., Schedule contractor's name, contract number, SIN, Schedule number or keyword.

Key features of GSA eLibrary include:

- ❖ Access to information on millions of supplies and services
- ❖ The latest news about the Schedules program
- ❖ Direct link to the *GSA Advantage!*<sup>®</sup> online shopping
- ❖ An improved design for easier browsing and navigation
- ❖ New “preview” pages allowing users to jump directly to the areas needed without unnecessary paging
- ❖ The ability to download Schedules information by Schedule or SIN
- ❖ Access to contractor websites and e-mail addresses

[www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)

### **GSA Advantage!**<sup>®</sup>

*GSA Advantage!*<sup>®</sup> is an online shopping service through which ordering activities may place orders against the Schedules. This online catalog, information and ordering system creates a direct customer-Schedule contractor relationship. It is designed to make the federal buying process more efficient by providing ordering activities the ability to search, identify, compare and order items that offer the best value.

By using *GSA Advantage!*<sup>®</sup>, ordering activities have access to millions of supplies and services — 24 hours a day, 365 days a year. Many supplies are available for delivery within a few days.

GSA*Advantage!*® allows ordering agencies to:

- ❖ Search for items using keywords, part numbers, National Stock Numbers (NSNs), supplier names, contract numbers, etc.
- ❖ Compare features, prices and delivery options
- ❖ Configure supplies and add accessories
- ❖ Review delivery options
- ❖ Select a convenient payment method
- ❖ Place orders directly online
- ❖ View order history to track status, reorder or cancel

To shop GSA*Advantage!*® ordering activities will need either a governmentwide commercial purchase card or a GSA Activity Address Code (AAC).

GSA Advantage is a great tool for ordering agency Contracting Officers to use when conducting market research.

For additional information, a tutorial is available online and can be downloaded at [www.gsaadvantage.gov](http://www.gsaadvantage.gov).

## **GSA eBuy**

eBuy, is an online RFQ system that allows ordering activities to post requirements, obtain quotes and issue orders electronically. Posting on eBuy satisfies all requirements for fair notice to potential offerors, even if fewer than three offers have been received.

eBuy streamlines the ordering process with point-and-click functionality by allowing RFQs and responses to be exchanged electronically between federal agencies and Schedule contractors. Ordering activities can maximize their buying power through the use of eBuy to increase Schedule contractor participation, and save money and time.

eBuy provides a transparent buying mechanism, allowing Schedule contractors greater opportunities to offer quotes and increase business volume for supplies and services provided under their Schedule contracts.

eBuy's benefits to ordering activities include:

- ❖ Ordering activities can maximize their buying power through the use of eBuy to obtain quotes that will result in a best value purchase decision
- ❖ Ordering agencies have a great RFQ management tool that will result in saving time and money
- ❖ The system is efficient, streamlining the acquisition process
- ❖ Use of the system fulfills the requirements of "notification to all" under FAR 8.405
- ❖ The system is easy to use
- ❖ The system can be a key component of market research on potential Schedule contractors through the use of its RFI functionality

For more information or assistance, contact GSA at [gsa.advantage@gsa.gov](mailto:gsa.advantage@gsa.gov).

## How does eBuy work?

When using the eBuy system, ordering activities simply prepare and post an RFQ (with or without an SOW) for specific supplies and services for a designated period of time.

While an ordering activity may choose to notify a select population of Schedule contractors of their requirement (who receive an e-mail notice of the posting), it is available for review by all Schedule contractors awarded the identified SIN(s).

Schedule contractors not notified of the posting by e-mail may still submit a quote for any RFQ placed under their awarded SIN. Schedule contractors are encouraged to check the eBuy site daily for RFQ opportunities. Only Schedule contractors with electronic price lists loaded to *GSA Advantage!*<sup>®</sup> have access to eBuy and the opportunity to review and receive notifications of postings.

Schedule contractors post their quotes directly to eBuy. Once an RFQ has closed, the ordering activity may then evaluate and accept the quote that represents the best value. Access to this information is limited to the ordering activity.

[www.ebuy.gsa.gov](http://www.ebuy.gsa.gov)

# Section 11: GSA State and Local Programs

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For the most current updates and enhancements to the GSA State and Local Programs, please go to [www.gsa.gov/stateandlocal](http://www.gsa.gov/stateandlocal).

## **Cooperative Purchasing Program Overview**

### **Authority for State and Local Government Access to Schedules under Cooperative Purchasing**

- ❖ Section 211 of the E-Government Act of 2002 authorized GSA sales of Schedule 70 IT products and services to state and local governments through the introduction of Cooperative Purchasing. Cooperative Purchasing authorizes state and local government entities to purchase from Schedule 70 Information Technology (IT) contracts and Consolidated Schedule (formerly Corporate Contracts Schedule) with associated IT Special Item Numbers (SINs).
- ❖ The Local Preparedness Acquisition Act, which authorizes state and local government to purchase Alarm and signal systems, facility management systems, firefighting and rescue equipment, law enforcement and security equipment, marine craft and related equipment, special purpose clothing, and related services (as contained in Federal Supply Classification Code Group 84 or any amended or subsequent version of that Federal Supply Classification Group).

### **Scope**

Purchases may be made by all eligible state and local entities at any time for any reason. Participation in Cooperative Purchasing is voluntary for both Schedule contractors and state and local government entities.

Use of GSA Schedules by state and local governments is voluntary. Agreement of a Schedule contractor to offer Cooperative Purchasing under the contract and acceptance of any order for Cooperative Purchasing from a state or local government is voluntary.

For additional information and any program updates, please visit:  
[www.gsa.gov/cooperativepurchasing](http://www.gsa.gov/cooperativepurchasing).

## **Disaster Recovery Purchasing (Section 833) Program Overview**

### **Authority for State and Local Government Access to Schedules under Disaster Recovery Purchasing Program**

Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364) amends 40 U.S.C. 502 to authorize the Administrator of General Services to provide to state and local governments the use of GSA Multiple Award Schedules of the GSA for purchase of products and services to be used to facilitate recovery from a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or to facilitate recovery from terrorism or nuclear, biological, chemical or radiological attack.

### **Scope**

State and local government entities have access to purchase via all Multiple Award Schedules, both in advance and in the aftermath of major disasters, to facilitate recovery.

State and local governments that wish to use the GSA and VA Schedules to facilitate recovery from major disasters or attacks are responsible for ensuring that only authorized representatives of their governments place orders against these Schedules and that procured products and services are used only for the purposes authorized by Section 833 of Public Law 109-364.

Use of GSA Schedules by state and local governments is voluntary. Disaster relief assistance can be acquired from any vendor — local vendors are preferred — and the requirement for registration in CCR is waived during major disasters.

State and local governments may use the GSA Schedule contracts to purchase products or services in advance of a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or terrorist, nuclear, biological, chemical or radiological attack. In the aftermath of emergency events, state or local governments' systems may be disrupted. Thus, use of GSA and VA Schedule contracts prior to these events to acquire products or services to be used to facilitate recovery is authorized. The state or local government will be responsible for ensuring that purchased products or services are to be used to facilitate recovery.

If a state or local entity wishes to receive reimbursement from FEMA public assistance grants, they need to ensure that they are following the Stafford Act and FEMA public assistance program preferences and procedures. To access FEMA's fact sheet on the GSA Disaster Recovery Purchasing Program, visit [www.fema.gov/government/grant/pa/9500toc.shtm](http://www.fema.gov/government/grant/pa/9500toc.shtm), and scroll down to *9580 Job Aids and Fact Sheets*.

The Federal Supply Schedules Usage Act of 2010 further expands access under the Disaster Recovery Purchasing Program to include preparation and response from disasters. Guidelines for this expansion are not yet fully implemented. Please visit the below program website for up-to-date information on program expansion and details.

For additional information and any program updates, please visit:  
[www.gsa.gov/disasterrecovery](http://www.gsa.gov/disasterrecovery).

## Cooperative Purchasing and Disaster Recovery Purchasing Program Information

### Program Use

As a condition of using these Schedule contracts, eligible ordering activities agree to abide by all terms and conditions of the GSA Schedule contract, with the exception of those terms and conditions identified below under “Contract Formation.” Eligible ordering activities may include terms and conditions required by statute, ordinance, regulation or order to the extent that these terms and conditions do not conflict with Schedule contract terms and conditions.



Schedule contractors must decline orders within five days of receipt or 24 hours for credit card orders OR the order is considered accepted.

### Definitions

The General Services Administration Acquisition Manual (GSAM) Part 538.7001, Definitions, offers the following definition of state and local governments:

“The States of the United States, counties, municipalities, cities, towns, townships, tribal governments, public authorities (including public or Indian housing agencies under the United States Housing Act of 1937), school districts, colleges and other institutions of higher education, council of governments (incorporated or not), regional or interstate government entities, or any agency or instrumentality of the preceding entities (including any local educational agency or institution of higher education) and including legislative and judicial departments.”

The term does not include contractors, or grantees of state or local governments.

The COOP PURCH  icon and DISAST RECOV  icon in both GSA eLibrary and GSAAAdvantage!® indicates that authorized state and local government entities may purchase items from these contracts.

### Ordering Procedures

State and local government entities are encouraged to use existing Schedule ordering procedures (refer to FAR Subpart 8.4), but are not required to do so. State and local governments must meet their own state or local purchasing and competitive requirements when purchasing via Schedules. State and local preference programs are not waived or otherwise affected by these regulations

### Contract Formation

Whenever a Schedule contractor accepts an order from a state or local government, a new contract is formed.

The terms and conditions of the underlying Schedule contract will be incorporated, by reference, into the new contract between the state or local government and the Schedule contractor.

The following clauses are excluded from Cooperative Purchasing orders: the disputes clause, the patent indemnity clause, and the portion of the Commercial Item Contract Terms and Conditions that specifies “compliance with laws unique to government contracts” (which applies only to contracts with the Executive Branch of the U.S. government).



## **Payment**

The terms and conditions of a state's prompt payment law apply to orders placed by eligible non-federal ordering activities. If the ordering activity is not subject to a state prompt payment law, the Federal Prompt Payment Act will cover the activity in the same manner as federal ordering activity.

## **Disputes**

The federal government will not be liable for the performance or nonperformance of contracts established between Schedule contractors and state or local government entities. Disputes may be litigated between the state or local entity and the Schedule contractor in any state or federal court with jurisdiction over the parties, using the principles of federal procurement law and the Uniform Commercial Code, as applicable and appropriate.

## **1122 “Counterdrug” Program**

Section 1122 of the Fiscal Year 1994 National Defense Authorization Act established the authority for state and local governments to purchase law enforcement equipment through federal procurement channels, provided that the equipment is used in the performance of counter drug activities. The Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 amended 10 U.S.C. 381, to expand the procurement authority under the 1122 Program beyond counter-drug activities, to include equipment for homeland security and emergency response activities.

The authority for the 1122 Program resides with the Department of Defense (DOD). The U.S. Army is the executive agent of the program. In addition, under this program, DOD and the Defense Logistics Agency (DLA) also provide equipment available to state and local units of government. The Army currently defines the requirements for the expansion of the program and the certification of the SPOCs.

Each state participating in the 1122 Program designates a State Point of Contact (SPOC), appointed by the Governor, to administer the state's activities under the program. Each SPOC participating in the program must be trained and certified to participate by the Army. Each SPOC is responsible for validating the counter-drug, emergency response, or homeland security mission of each procurement request and ensuring the availability of funds.

With the approval of the Executive Agent, GSA has approved certain equipment included in GSA Schedules and the purchase of motor vehicles under the program. The SPOCs are responsible for receiving all orders from state and local units of government, and for determining that the items will be used for the allowable scope of activities. For items under Schedules, the SPOCs will send all orders directly to the Schedule contractor, and payment will also be made directly to the Schedule contractor. Orders for the purchase of vehicles (except for the Command Centers on 23 V, which can either be placed directly with the contractor or forwarded to GSA) must be forwarded by the SPOC through GSA. The 1122 Program is non-mandatory to both the SPOCs and the Schedule contractors, e.g., the contractors have the option as to whether to accept or reject an order from the SPOC.

For information and all program updates, please visit: [www.gsa.gov/1122program](http://www.gsa.gov/1122program).

## **Federal Grantee Access to Schedules in Response to Public Health Emergencies**

When a Public Health Emergency (PHE) is declared, FSS contractors are available and ready to support. State, local, tribal and territorial governments can now benefit from the speed, savings, and ease of use of FSS when supporting declared PHEs.

These new eligible ordering entities are now authorized to access all FSS for the purchase of products and services when expending federal grants funds in response to PHEs declared by the Secretary of Health and Human Services under section 319 of the Public Health Services Act, codified at 42 U.S.C. § 247d.

### **Scope**

Access to the Schedules under this program is limited to state, local, tribal and territorial governments receiving grant funds in direct response to the PHE.

### **Ordering Procedures**

- ❖ Participation is voluntary for state, local, tribal and territorial governments, as well as Schedule contractors.
- ❖ While GSA recommends that eligible purchasing officials follow the Schedule ordering procedures outlined in FAR Subpart 8.4, to ensure receiving the best value from Schedule contractors, use of these procedures are not mandated under this program.
- ❖ When purchasing from Schedules, state, local, tribal and territorial governments should follow the ordering and competitive procedures that meet their own procurement regulations and any requirements stipulated in the grant funding.
- ❖ Orders may be placed directly with participating Schedule contractors.
- ❖ The following language should be included on all task or delivery orders placed by state, local, tribal and territorial governments under this program:

This order is placed under Federal Supply Schedule number \_\_\_\_\_ pursuant to GSA policy that authorizes state, local, territorial and tribal government entities, as authorized users for purchasing goods and services, when expending federal grant funds in response to Public Health Emergencies (PHEs) declared by the Secretary of Health and Human Services under section 319 of the Public Health Services Act, codified at 42 U.S.C. § 247d.

For additional information please visit: [www.gsa.gov/stateandlocal](http://www.gsa.gov/stateandlocal).

## Section 12: List of GSA Multiple Award Schedules

GSA Schedule Names and Numbers	
	Schedule Title
<b>541</b>	Advertising and Integrated Marketing Solutions (AIMS)
<b>23 V</b>	Automotive Superstore
<b>56</b>	Buildings and Building Materials/Industrial Supplies and Services
<b>73</b>	Chemicals and Services
<b>66 III</b>	Clinical Analyzers, Laboratory, Cost-per-test
<b>71 II K</b>	Comprehensive Furniture Management Services (CFMS)
<b>00CORP</b>	Consolidated Schedule (Formerly Corporate Contracts Schedule)
<b>65 II C</b>	Dental Equipment and Supplies
<b>899</b>	Environmental Services
<b>03FAC</b>	Facilities Maintenance and Management
<b>520</b>	Financial and Business Solutions (FABS)
<b>72</b>	Furnishings and Floor Coverings
<b>71</b>	Furniture
<b>70</b>	General Purpose Commercial Information Technology Equipment, Software and Services
<b>51 V</b>	Hardware Superstore
<b>738 X</b>	Human Resources and Equal Employment Opportunity Services
<b>65 VII</b>	Invitro Diagnostics, Reagents, Test Kits and Test Sets
<b>738 II</b>	Language Services
<b>751</b>	Leasing of Automobiles and Light Trucks
<b>874 V</b>	Logistics Worldwide (LOGWORLD)
<b>65 II A</b>	Medical Equipment and Supplies
<b>621 II</b>	Medical Laboratory Testing and Analysis Services
<b>874</b>	Mission Oriented Business Integrated Services (MOBIS) – Note: Schedule 69, Training Aids and Devices Instructor-Led Training; Course Development; Test Administration has been incorporated in SINS 4, 5, 8 and 9
<b>75</b>	Office Products/Supplies and Services and New Products/Technology
<b>65 II F</b>	Patient Mobility Devices
<b>65 I B</b>	Pharmaceuticals and Drugs
<b>67</b>	Photographic Equipment – Cameras, Photographic Printers and Related Supplies and Services (Digital and Film-based)
<b>621 I</b>	Professional and Allied Healthcare Staffing Services
<b>58 I</b>	Professional Audio/Video, Telecommunications, and Security Solutions
<b>871</b>	Professional Engineering Services
<b>76</b>	Publication Media

<b>66</b>	Scientific Equipment and Services
<b>81 I B</b>	Shipping, Packaging and Packing Supplies
<b>78</b>	Sports, Promotional, Outdoor, Recreation, Trophies and Signs (SPORTS)
<b>736</b>	Temporary Administrative and Professional Staffing (TAPS)
<b>36</b>	The Office, Imaging and Document Solution
<b>84</b>	Total Solutions for Law Enforcement, Security, Facilities Management, Fire, Rescue, Clothing, Marine Craft and Emergency/Disaster Response
<b>48</b>	Transportation, Delivery and Relocation Solutions
<b>599</b>	Travel Services Solutions
<b>65 V A</b>	X-Ray Equipment and Supplies

## Section 13: Customer Assistance

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Customers needing additional information or assistance on the various services, supplies and programs may contact:

### **Centralized Mailing List Service (CMLS)**

For your convenience, GSA offers a Centralized Mailing List Service (CMLS) that maintains copies of various GSA publications, including product catalogs, Schedules, fact sheets and more. Just let us know which publications you're interested in and we will mail them to you free of charge.

#### **Customer Assistance**

Telephone: (817) 334-5215

E-mail: [cmls@gsa.gov](mailto:cmls@gsa.gov)

[www.gsa.gov/cmls](http://www.gsa.gov/cmls)

### **Customer Service Directors (CSDs)**

GSA offers a worldwide network of knowledgeable Customer Service Directors (CSDs). Wherever you're located, there is a CSD in your region to assist you with problem resolution and who can answer any and all questions relating to GSA and its procurement solutions. The CSDs also offer seminars on a variety of topics to educate customers on purchasing procedures and inform them of offerings and solutions available from GSA.

[www.gsa.gov/csd](http://www.gsa.gov/csd)

### **National Customer Service Center (NCSC)**

Customers are encouraged to call GSA's National Customer Service Center (NCSC) at (800) 488-3111 or DSN number 465-1416 with general or specific questions about GSA. The NCSC's customer service representatives are knowledgeable about GSA's business lines and their associated products and services and will direct you to a source that will best address your needs. The NCSC can also help verify your order's status, track shipments, resolve order discrepancies or deficiencies, and provide information on merchandise returns and exchanges, as well as address billing inquiries, merchandise quality concerns, and current price quotes.

GSA's NCSC is now available to you 24 hours a day, five days a week. From Sunday nights at 8 p.m. until Friday nights at 8:30 p.m. (CT), the NCSC will be ready to assist you.

#### **Customer Assistance**

Telephone: (800) 488-3111

DSN Number: 465-1416

E-mail: [NCSCcustomer.service@gsa.gov](mailto:NCSCcustomer.service@gsa.gov)

[www.gsa.gov/ncsc](http://www.gsa.gov/ncsc)

## **Business Portfolios**

GSA comprises four business portfolios to support the mission critical needs of federal, state, local and tribal governments.

### **Assisted Acquisition Services (AAS)**

GSA's Office of Assisted Acquisition Services (AAS) provides technical, acquisition, financial, and project management services to help federal customers purchase and deploy information technology and professional services solutions.

#### **Customer Assistance**

Telephone: (703) 605-3699

[www.gsa.gov/aas](http://www.gsa.gov/aas)

### **General Supplies and Services (GSS)**

GSA's Office of General Supplies and Services (GSS) offers a wide selection of quality products ranging from office supplies to computer products, tools, security and fire equipment, scientific equipment, furniture, financial and business services, facility maintenance and much more.

#### **Customer Assistance**

Telephone: (800) 488-3111

[www.gsa.gov/gss](http://www.gsa.gov/gss)

### **Information Technology Services (ITS)**

GSA's Office of Integrated Technology Services (ITS) offers information technology and telecommunications solutions ranging from hardware and software to complex installations.

#### **Customer Assistance**

Telephone: (800) 488-3111

[www.gsa.gov/its](http://www.gsa.gov/its)

### **IT Acquisition Center**

Telephone: (888) 377-0070

[www.gsa.gov/itcenter](http://www.gsa.gov/itcenter)

### **Travel, Motor Vehicles and Card Services (TMVCS)**

GSA's Office of Travel, Motor Vehicles and Card Services (TMVCS) provides compliant, responsive and cost-effective services to aid federal customers in shipping, hauling and transporting the people and products essential to doing the business of government.

#### **Customer Assistance**

##### *Automotive*

Telephone: (703) 605-2277 (CARS)

E-mail: [vehicle.buying@gsa.gov](mailto:vehicle.buying@gsa.gov)

[www.gsa.gov/automotive](http://www.gsa.gov/automotive)

##### *E-Gov Travel*

Telephone: (888) 472-5585

E-mail: [Travel.programs@gsa.gov](mailto:Travel.programs@gsa.gov)

[www.gsa.gov/egovtravel](http://www.gsa.gov/egovtravel)

#### *GSA Fleet*

E-mail: [gsa.fleet@gsa.gov](mailto:gsa.fleet@gsa.gov)

[www.gsa.gov/gsafleet](http://www.gsa.gov/gsafleet)

#### *GSA SmartPay® 2 Card Services*

Telephone: (703) 605-2808

E-mail: [gsa\\_smartpay@gsa.gov](mailto:gsa_smartpay@gsa.gov)

[www.gsa.gov/smartpay](http://www.gsa.gov/smartpay)

#### *Travel*

Telephone: (888) 472-5585

E-mail: [travel.programs@gsa.gov](mailto:travel.programs@gsa.gov)

[www.gsa.gov/travel](http://www.gsa.gov/travel)

#### *Transportation*

Telephone: (866) 668-9472

E-mail: [transportation.programs@gsa.gov](mailto:transportation.programs@gsa.gov)

[www.gsa.gov/transportation](http://www.gsa.gov/transportation)

#### *Relocation*

Telephone: (877) 575-3772 (ERRC)

E-mail: [relocation.programs@gsa.gov](mailto:relocation.programs@gsa.gov)

[www.gsa.gov/transportation](http://www.gsa.gov/transportation)

## **Acquisition Centers**

GSA supports seven acquisition centers located throughout the United States.

### **Center for Facilities Maintenance and Hardware (CFMH)**

The GSA Center for Facilities Maintenance and Hardware (CFMH) provides a variety of quality products such as hardware, tools, appliances, lawn and garden equipment, metalworking and woodworking machinery, paints, sealants and adhesives to government customers around the world. These products can be purchased, leased or rented to provide a short-term or long-term solution to the federal community. The CFMH also provides facilities maintenance, facilities management, and energy management services providing a total solution for maintaining or managing federal buildings while emphasizing energy savings.

#### **Customer Assistance**

Telephone: (816) 926-6760

E-mail: [hssmarketing@gsa.gov](mailto:hssmarketing@gsa.gov)

[www.gsa.gov/cfmh](http://www.gsa.gov/cfmh)

## **Center for Innovative Acquisition Development**

GSA's Center for Innovative Acquisition Development (formally known as the Center for Services Acquisition) provides a broad spectrum of professional services to its customers within the federal government, specializing in the service areas of finance, strategic sourcing, and emergency preparedness and response recovery contracting. We establish contracts with small business and 8(a) firms as well as nationally recognized leaders in their fields to help customers achieve their goals.

### **Customer Assistance**

Telephone: (703) 605-2837

[www.gsa.gov/ciad](http://www.gsa.gov/ciad)

## **Greater Southwest Acquisition Center**

GSA's Greater Southwest Acquisition Center provides a variety of diverse products and services, including power distribution equipment, food service equipment, janitorial and cleaning supplies, law enforcement and security equipment, forklifts, and prefabricated buildings.

### **Customer Assistance**

Telephone: (817) 574-2660

E-mail: [marketing.gps@gsa.gov](mailto:marketing.gps@gsa.gov)

[www.gsa.gov/generalproducts](http://www.gsa.gov/generalproducts)

## **Integrated Workplace Acquisition Center**

GSA's Integrated Workplace Acquisition Center provides industry knowledge and contracting expertise for furniture and furnishings products and services, mail management, audio/visual, telecommunications and security solutions, as well as sports and recreation equipment and trophies and signs.

### **Customer Assistance**

Telephone: (703) 605-9300 for Schedules 71 and 71 IIK

Telephone: (215) 446-5163 for Schedule 72

[www.gsa.gov/furniture](http://www.gsa.gov/furniture)

## **IT Acquisition Center**

GSA's IT Acquisition Center is dedicated to providing government managers with smarter solutions to meet today's challenges of multiple priorities, increased demands and scarce resources. GSA has established contracts with leading commercial IT organizations of all sizes, providing easy access to technology products and services through GSA MAS Schedule 70.

### **Customer Assistance**

Telephone: (888) 377-0070

[www.gsa.gov/itcenter](http://www.gsa.gov/itcenter)



### **Management Services Center (MSC)**

The Management Services Center (MSC) manages GSA Multiple Award Schedule contracts focused on professional services related to business improvement, language interpretation and translation, environmental issues, logistics, engineering and consolidated services. The MSC has contracted with small business and 8(a) firms, as well as nationally recognized leaders in their fields to support government customers professional services needs.

#### **Customer Assistance**

Telephone: (800) 241-7246

E-mail: [mgmtservices@gsa.gov](mailto:mgmtservices@gsa.gov)

[www.gsa.gov/mgmtservices](http://www.gsa.gov/mgmtservices)

### **National Administrative Services and Office Supplies Acquisition Center**

GSA's Office Supplies and Administrative Services Center supports civilian and military agencies with products and services to meet their office needs. In addition to providing a wide range of office supplies, this acquisition center offers training, human resources, and Equal Employment Opportunities services.

#### **Customer Assistance**

Telephone: (212) 264-0868

E-mail: [smartshop@gsa.gov](mailto:smartshop@gsa.gov)

[www.gsa.gov/osas](http://www.gsa.gov/osas)

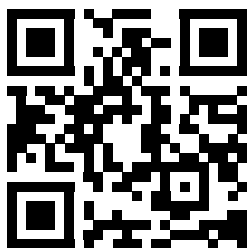
## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





U.S. General Services Administration

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